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Chamber of Commerce Head

Francis George Winspear, Edmonton chartered accountant and director in many western companies, this week took over as president of the Canadian Chamber of Commerce, directing the activities of its 675 member boards with more than 100,000 members, and the 2,200 business firms which hold membership in the Chamber.

THE NATION'S BUSINESS

This Challenge We Cannot Ignore

For nearly six weeks, and during some of the hottest weather this summer, garbage collection in Hamilton has been halted by a strike. Refuse has been accumulating in streets, lanes and backyards, a direct invitation to an epidemic that might wipe out thousands of lives.

In itself that sort of a situation would seem grave enough to warrant the intervention of the authorities. When public health is endangered, as it has been in Hamilton this summer, then an industrial dispute ceases to be a matter that concerns only the union and employers involved. But this week something much more serious has happened.

Citizens taking their own garbage to the city dump for disposal were forcibly turned back by picket lines. Such action constitutes a direct and shocking challenge to law and order, a challenge that cannot and should not be ignored. If the city authorities of Hamilton do not meet it then there should not be any hesitation on the part of the provincial government in stepping in and ending this threat firmly and immediately.

Peaceful picketing by strikers has been accepted by the general public. But this does not give strikers any right whatsoever to prevent a person from entering a plant on lawful business let alone restraining private citizens from performing a vital service which strikers have refused to carry out. Violence in any shape or form cannot be condoned.

* * *

Can Mr. Howe Do It All?

It is one thing for the government to announce new mobilization plans. It is another to put them into action.

There is increasing concern among business as to whether or not the present means of directing industrial mobilization at Ottawa is adequate. This thought was uppermost at Banff this week when the Canadian Chamber of Commerce called for the "establishment immediately of a Ministry of Supply to be responsible for industrial mobilization and production."

Apparently the government seems satisfied to let supply problems centre around the production boss of the last war, Rt. Hon. C. D. Howe. But Mr. Howe is Minister of Trade and Commerce, one of the biggest and most important of all the cabinet portfolios. No one doubts Mr. Howe's capabilities, nor those of his deputy, Max Mackenzie.

What is doubted is that these two men can carry their present load of responsibility and at the same time assume direction of a procurement program which is certain to cost upwards of half a billion dollars in the next twelve months.

A year or two ago, the government set up a sort of shadow supply ministry under Mr. Howe. This nucleus of half a dozen men was headed by Sydney Pierce, Associate Deputy Minister of Trade and Commerce. But just at the very time the emergency developed, Mr. Pierce was shipped off to France to represent Canada on O.E.E.C. This has left a big gap. It has led to reports that Mr. Howe himself is going to be named as top Canadian representative on the Canada-U. S. joint Industrial Mobilization Board to replace Mr. Pierce.

True, we now have a well-oiled procurement agency in the Canadian Commercial Corporation and an important production unit in Crown Arsenals. Both of these report to Mr. Howe.

But it would seem that all these scattered jobs and agencies might well be immediately tied together under a capable full-time deputy and a first rank minister. If the government decided to use the present Howe-Mackenzie team, it should find new bosses for Trade and Commerce. Otherwise it could well adopt the services of a top flight Canadian to co-ordinate and direct the new procurement program on the industrial side.

* * *

The Budget and Inflation

Most Canadians learned enough elementary economics in the last war to see the pattern of last week's baby budget.

Raising some extra revenue was only part of the objective. Mopping up excess purchasing power and relieving pressure of demand on industries (e.g. the electrical) which will soonest feel the impact of rearmament was perhaps an even more important objective. And there was another factor too: the psychological. The public had to be made aware of the gravity of our present position; had to be given some tangible demonstration that we have now started on the long, difficult and painful road to national security which we assuredly haven't got now.

The present aim of using taxation to protect the economy, and fight inflationary fires, rather than the institution of direct—and necessarily multitudinous and clumsy—controls is laudable.

How far and how effectively this policy can be carried will depend far less on the law-makers than it will on the good sense of the Canadian people.

Incessant demands for more and more wage increases are explosively inflationary in a situation like the present. Pursued recklessly, this union policy leads directly to the whole caboodle of controls like we had last time.

Hard as it may seem, the fact is that extra purchasing power spread among the tens of thousands of wage-earners is infinitely more inflationary than if the same amount of extra purchasing power were to land in only a few laps. The reason is that extra wages are almost always immediately spent. They make almost immediate demands on already-crowded industry.

This is a fact future budgets in the rearmament period should face frankly.

Anti-inflationary budgeting has to bite sharply into the modest and lower incomes to serve any useful purpose—and, in the process, to protect as well as possible the purchasing powers of those incomes which need protection most.

A good case can be made in economics for a tougher budget right now, but we suspect the public is pretty well satisfied with what it got.

More Combines Probes Under Study at Ottawa

Report Commission Near Completion of Several Formal Investigations – Bread, Matches, Flat Glass, Now Ready For Courts

By RONALD WILLIAMS

OTTAWA (Staff) — The lull following the earlier combines investigation storm and the resignation of Commissioner F. A. McGregor, is about to be disrupted.

The three cases which touched off the storm—bread, flat glass and matches—were either before the courts this week or about to go to trial.

In addition, at least three more major investigations are under way. Records fail to show a similar period of activity in the history of the Combines Act.

Replying to CCF Leader Coldwell, Minister of Justice Garson last week brought the House up to date on current activity:

At Jan. 1 two inquiries leading to formal investigation were under way. One is now at the hearing stage; the other at the point of giving the parties an opportunity to be heard before reaching conclusions.

One inquiry commenced since Jan. 1 is now at the hearing stage.

In addition, many matters are in various stages of inquiry but at present it is not known how many will lead to formal investigations.

Coldwell's Question

Identity of industries or businesses being investigated is a closely guarded secret. Mr. Coldwell has asked Mr. Garson if the pulp and paper industry is one of the three. At midweek the Minister had not answered. Mr. Coldwell's inquiry is believed to have been prompted by the recent newsprint inquiry in the United States.

Another possibility, The Post understands, is in the drug field. It is known that over the past two years government investigators have examined several phases of the industry. One study has been in the manufacturing of such drugs as penicillin. Another study, it is understood, followed a suggestion by retail druggists that some concerted action should be taken by druggists against manufacturers who sold to corner grocery stores, etc.

As for the alleged combines

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When Credit Clamp Comes Who Will Feel Pinch First?

OTTAWA (Staff)—Before the week is out Ottawa expects to have all the standby legislative, administrative and fiscal powers it considers necessary to meet any international development short of all-out war.

One of these powers—a bill granting temporary authority to regulate consumer credit—reached third reading at midweek.

Controls or allocations, even for steel, are not seen at present in any area. No move has been made on the first step—to revive the steel controllers' department, which folded earlier this year when the last of the steel controls were lifted.

However, when it comes to the consumer credit bill, Ottawa is expected to turn the heat on much sooner. Automobiles, electrical appliances and furniture are said to be causing the most inflationary worry, although the entire question is disturbing.

Automobile financing is rolling at a terrific clip. In the first seven months of 1950, financing was up 104% over '49. Even the trade is worried. A senior trade association executive recently asked a meeting of dealers: "What are we selling; automobiles or credit?"

For the government, Finance Minister Abbott summed up when he told the House this week: "Between the first quarter 1949 and the first quarter 1950, cash sales by retail stores went up by 4%. Between the same two quarters, installment sales on the other hand, went up by nearly 27%.

"Part of the explanation," went on Mr. Abbott, "lies, of course, in the increased availability of goods. But even when a allowance is made for this factor, the remaining expansion is very substantial and indicates quite clearly that consumers are to an increasing extent buying on credit rather than out of current income or past savings."

He then confirmed the feeling that at least some section of the emergency powers will be used at an early date. Said he: "In some fields, the government is likely to exercise its selective power as soon as practicable."

Permit Immediate Recall

Having given the government the powers it says it needs, parliament was expected to adjourn rather than prorogue. This would permit its recall on a moment's notice, if circumstances warrant it.

For their two weeks emergency labor, members will likely get $1,000 instead of the $450 allowed under the statutory $25 a day indemnity provided for situations such as this. M.P.'s argued; apparently successfully, that they had to leave their businesses and farms at a critical time; they should be compensated in part, at least.

Here's what else they had done at midweek:

1. Settled the railway strike.
2. Brought down the supplementary budget.
3. Passed the Essential Materials Defense Act giving the government economic control powers.

Higher Prices For Pulpwood

MONTREAL (Staff)—Increasing demand and a rush to rebuild inventories are expected to boost purchased rough wood prices for pulp and paper mills this year. Estimates are that when the marketing season gets into full swing prices should rise about $2 to $3 a cord, bringing them to about $14 a cord f.o.b shipping point.

The rough wood marketing season has just opened and will continue until spring. Some indication of what may be expected, however, is given by prices for peeled wood, which season extends from May to August.

This year peeled wood climbed by $3 to $4 a cord to around $18. Now the market "has gone crazy." There is little peeled wood left and, while the price is reported at around $18 to $22 a cord, one buyer says there is really no market as some Americans and Canadians are paying up to $25 a cord. "They'll pay any amount," says one source.

PRICES

Soap prices are moving higher again. Since the last price rise in early August, averaging 6%, cost of main raw materials—tallow and cocoanut oil—has jumped on the average of around 30%. Procter & Gamble in the U. S. this week boosted wholesale prices of household soaps by 7½%.

Linseed oil price jumped 25c a gal. this week to $1.90. Increase is expected to affect such end products as paint and linoleum. Linseed moves up in line with short flax crop (under 4 million bu.) and absence of September deliveries. Flax has jumped to $4.02 as against $3.38 at May 1.

Household appliance prices moved up this week reflecting the 15% baby budget tax applied at the manufacturer's level. Price increases at the retail level varied all the way from 7% on vacuum cleaners to as much as 25% for waffle irons.

Shortening prices jumped 2c a lb. this week at the wholesale level reflecting still climbing prices of vegetable oils.

Purchase pulpwood has moved up anywhere from $2 to $3 a cord as demand increases from paper mills.

Canned salmon prices firming, reports Canadian Grocer (Maclean-Hunter) as B. C. pack lags below expectation. Some prices have been withdrawn. Heavy export demands are reported as strengthening domestic market.

Coffee prices are going still higher, probably by 2 to 3c lb. Green coffee prices to the roaster and wholesaler have been upped by 3c a lb. on a number of brands. Combination of still rising consumption trend in the U. S. and an estimated reduction of 3 million lb. in available exports from Brazil for 1950-51 are chief factors in rising price trend.

Retail food prices uptrend is shown in the following table for Toronto (all prices based on comparable items from the same store):

(Toronto prices, cents)

	June 15	Now
Bread, loaf	.15	.16
Round steak, lb.	.85	.96
Hamburg, lb.	.57	.63
Bacon, lb. (back)	.89	.99
Peameal Bacon	.79	.72
Butter, lb.	.57	.58
Fresh milk, qt.	.19	.19
Eggs, doz.	.53	.69
Coffee, lb.	.85	.89
Shortening ,lb.	.31	.32
Sugar, 5 lb.	.47	.53

Canned lobster market firming as small pack predicted. Indication points to shortage in some brands before next spring.

Metal markets continue strong

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Cement, Brick Grey Markets Are Growing

By HARLEY POTTER

Grey markets have been growing in some building supplies as high demand has been bearing down on limited production capacity.

Cement is one of the chief items affected, according to builders. Numbers of home builders have been held up because of scarcity of cement, The Post was told.

A grey market exists when principal suppliers are holding the price line but some are buying up scarce supplies at prevailing prices for sale at inflated prices. This is the case with cement, with some contractors who no longer are building themselves said to be using quotas for resale.

Bricks and tile are still in tight supply. One manufacturer told The Post he doubted any grey market in Canadian-made bricks was possible; his own company kept track of all contractors to whom it sold and would not sell where resale was being practiced.

Bricks, however, are being sold by some smaller dealers at higher prices. Some of this, as with cement, is of U. S. origin. One maker's Canadian bricks are selling at $47 a thousand, but just cannot be obtained unless one is a regular customer, The Post was told. Bricks of unknown origin but of poorer quality could be obtained for $57.

In Toronto, ready-mixed concrete was readily obtainable, there being a preference for selling cement in this form.

Other Materials

Over-all building materials prices are up at least 15% since the Korean crisis began.

Rearing its head is the "tied sale." One builder reported there was difficulty in getting scarce nails at some hardware dealers so long as you bought a lot of the rest of your supplies there too. Otherwise, the dealer had no nails.

Paint is in good supply, after the recent price increase. Some special latex-based paints are scarce because of an explosion at a leading producing plant.

The chief way war preparation would hit building supplies, if at all, would be by taking up scarce labor, one manufacturer of supplies said.

What Will Baby Budget Do To Our Tax Bill Next Year?

OTTAWA (Staff) — With the ink hardly dry on last week's supplementary budget, Ottawa was this week speculating about the next—the regular one due seven months hence.

How big will it be and how will the money be raised? How long can Ottawa hold off increasing income taxes and lowering exemptions?

Only one thing was sure: the next one is going to be a lot bigger than this year's enlarged budget, which is $244 millions above what was anticipated in the original budget five months ago.

Minister of Finance Abbott himself confirmed higher spending and taxes next year. In his budget speech he declared: "The plain fact is that we must now undertake defense measures of about $1 billion a year . . . It is obvious therefore, the budget will be further increased . . ."

Increased by how much? Based on Mr. Abbott's budget figures, in 1951-52 by at least $200 millions over and above the $244 million increase provided for last week for the rest of this fiscal year (to March 31).

That's assuming, of course, that there won't be any more increases for defense in next year's budget. In the light of current international events, no one's risking any money on this.

What Tax Sources?

Where will the money come from?

From these main sources:

1. Higher taxes announced last week (see table below).
2. Drastic slashing of public works and, Ottawa claims, other Government economies.
3. Higher revenues than estimated from the expanding business boom.
4. Possibly an increase in sales tax.

At the moment it is thought that it will not be necessary to increase personal income tax rates or lower exemptions to rope in the thousands who paid income taxes for the first time during the war.

Without committing himself completely, Mr. Abbott made this clear in his budget speech. He had two main reasons for passing up income tax:

1. The cost of living has increased about 3½% in the last 12 months and there's no absolute assurance there won't be more raises.
2. Desire to avoid taxes which will in any way discourage production, efficiency and output.

Said Mr. Abbott: "I feel that we should hold this important source of revenue in reserve."

If, as some predict, next year is going to see a federal election, it looks like a good bet that there won't be any increase in personal income taxation.

If anything, Mr. Abbott was even more forthright in explaining why he didn't revive the Excess Profits Tax. It too becomes an "invitation to extravagance and waste . . . there are bound to be inequalities and hardships . . ."

This narrows down the source of revenue considerably.

Savings by Government

The Government obviously hopes to take up a lot of the slack by cutting down on public works. This was right at cabinet level this week. It is reported that the Trans-Canada Highway may be the first to get the axe.

Estimated cost of this project is around $260 millions. Ottawa has agreed to pay half. Contracts for

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Exchange Rumor Rides Again

Talk of Change in $ Rate Proves a Fizzle

OTTAWA — Canada has just gone through another fever of rumor about exchange in the Canadian dollar rate. This was about the worst dose yet.

These rumors have been stopped, at least temporarily, by the statement of Rt. Hon. Louis St. Laurent that "no consideration" had been given by the government to this matter. Usually all questions of this sort are met by the stock reply "no comment."

But wires and telephones from one end of the country to the other, were buzzing with reports that the Canadian dollar was to be revalued. These reports were embellished by news that Governor Graham Towers of the Bank of Canada was leaving for Paris to attend the governors' meeting of the International Monetary Fund; by reports that the I.M.F. would pay special attention to exchange matters at its forthcoming meeting.

Because of these rumors, thousands of business firms, large and small, took extraordinary precautions to protect their U. S. dollar commitments. The gossip ran from mouth to mouth at big public gathering places like Toronto's C.N.E.

What are the pros and cons of the dollar position?

(1) It is evident that Canada's gold and dollar reserves are mounting steadily and substantially.

The current total of these reserves won't be known until the first week in October. But the mounting size of these reserves is

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Commodity Price Record

What's the price record of basic commodities? How do they compare with 1939—with the price control period of World War II—with pre-Korea, before the cold war turned warm? Here's the record for Canada, with prices of all items on comparable basis:

	Pre-World War Aug. 1, 1939	Start of Price Control Dec., 1941	Pre-Korea June, 1950	Post-Korea Latest
Cotton (per lb.)	$ .11	.22	.38	.416
Wool (per lb.)	.17	.31	.56	.77
Copper (per cwt.)	10.89	11.50	24.55	26.95
Lead (per cwt.)	4.33	5.00	12.89	17.5
Tin (per lb.)	.53	.62	.87	1.13
Pig iron (per ton)	20.50	25.50	47.50	47.50
Steel bars (per 100 lb.)	2.55	2.75	4.00	4.00
Zinc (per cwt.)	4.04	5.15	16.70	19.00
Rubber (per lb.) (U.S.)	.17	.27	.27	.54
Sugar (per cwt.)	2.15	6.89	8.22	9.90
Wheat (per bu.)	.55	.74	2.06	1.98
Hogs (per cwt.)	7.85	14.89	31.17	31.00
Cost of liv'g index (1939=100)	100.8	115.8	165.4	167.5
W'sale price index (1926=100)	72.4	93.6	165.6	172.5
Average weekly earnings in 8 leading industries	23.11	26.12	44.61	45.06

Steel Pinch Ahead In Consumer Goods

Here's the Picture as Industry Studies Its Order Sheet From Private Customers and Defense Possibilities – How U. S. Moves Affect Canada

Canadian industry took a long look at steel this week.

All eyes were turned to Ottawa for some insight into just how short supplies were and how long wartime controls and allocations could be held off.

Actually, there was no real emergency—yet.

These were the highlights of the situation:

1. U. S. mills—which supply Canada with about 600,000 tons annually (one-fifth of her needs)—were cutting exports to meet all-time high domestic consumption. This development was offset somewhat by Canada's exemption from U. S. wartime export controls on 39 classes of iron and steel mill products.
2. Supply of hot and cold-rolled sheets was critical. Canadian mills are booked solidly to year's end.
3. Steel plate was scarce.
4. And to top it all off, a price increase was in the wind. Talk had it at anywhere from 6% to 10%—effective toward the end of the year.

In the matter of controls, when and if they do become necessary, Ottawa has indicated they will be designed to disturb normal business practice as little as possible. Steel allocations, for example, will probably be handled through the mills, much as they were during the last war.

Avoiding Red Tape

Mills will be advised which industries have top defense priority. It will be up to them to see that they get all the steel they need. This way, government red tape, strait-jacket regimentation and endless form-filling will be avoided.

Meanwhile Canadian steel producers themselves were doing their own job of instituting individual "allocation" programs. While there was no set plan for all to follow, each producer was striving to parcel out available supplies "as fairly as possible."

In light of existing conditions, word that Canada would not be affected by the U. S. wartime ban on exports drew a deep sigh of relief from Canadian industry.

Canada's exemption from U. S. export controls followed U. S. policy in World War Two, when Canada was treated as part of their home market, despite an export ban on the rest of the world.

The result: Canada got around 1 million tons of steel each year. But more important, it was mostly of a class and kind not available here.

U. S. Exports Down

Today, exports from the U. S. are down considerably. This is due the acute steel situation in the U. S., where mills are cutting down all round to try to make supply equal unprecedented domestic demand. In addition, Canadian mills are now able to meet the needs of buyers who at one time could only get what they wanted south of the border.

Despite this, Canada is still dependent on the U. S. for one-fifth of her annual steel supply. If this supply were cut off, it would mean a serious blow to such key industries as the automotive and electrical appliance, and others using cold-rolled sheets.

U. S. reasoning behind the decision to again exempt Canada from export controls is essentially the same as before: our economies for military and civilian production are so integrated that if ours is crippled for any reason, theirs is affected. Today, with more and more standardization, that consideration is even more obvious.

Nevertheless, there was considerable opposition last time from certain political elements, echoing the complaints of certain manufacturers of non-essential products whose steel allotments had been cut. Some of that steel undoubtedly found its way into

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Inside News

Report on Pulp and Paper

What's ahead for Canada's pulp and paper industry? Are our newsprint mills too dependent on the U.S. market? What's research doing for the industry? A comprehensive analysis, together with up-to-date reports on companies. Timely now, valuable reference. (p. 29 to p. 56).

The Tax on Surplus

When should a business pay the tax on its undistributed surplus? An expert studies the implications of timing under new law. (p. 16).

Ottawa's Tax Plans

How could Ottawa raise more revenue? Are there other steps the Federal Government could take to balance income, outgo? The Question (p. 8).

Korea and Stocks

Some stocks have recovered from the post-Korea slump. How do they compare with 1939, and the immediate postwar years? The Post reports on 25 leading Canadian issues (p. 11).

Teaching Revolution

In Ontario, business, government and educators are co-operating in a revolutionary "training for work" in many lines. Here's the story of their experiment—and its success to date. (p. 15).

Churchill-Attlee Feud

Recess has done little to assuage the long-standing feud between the Old Warrior, Winston Churchill, and Prime Minister Clement Attlee. What will be the result of Britain's semi-emergency recall of Parliament? Will Churchill ride the storm or will he step down—as many wish him to—in deference to Anthony Eden? This and other pre-session questions are discussed this week by Adelphi, in 'London Calling' (p. 14).

Polymer Corp. To Boost Output

Polymer Corp. — crown-owned rubber plant—will shortly announce an expansion program of approximately 25%, The Financial Post understands. The program will boost rubber capacity —which has been running at a peacetime high of 55,000-60,000 tons annually — to 70,000-75,000 tons. Cost of the project is expected to run in the $6-$7 millions.

Demand for synthetic rubber from domestic sources has risen sharply, since the natural rubber started its sharp price climb following outbreak of the Korean war. This, on top of anticipated increasing demand for military account, is expected to tax current capacity.

Pace of Business

Carloadings on Canadian Railroads in week ended Aug. 19 totaled 84,026 cars, 4,855 above the 79,171 cars loaded in same week of 1949. Eastern loadings at 56,190 cars were up 6,808; western loadings declined 1,953 to 27,836 cars. Cumulative loadings to Aug. 19 totaled 2,423,227 cars, up 30,889.

Department store sales declined 11% in week ended Sept. 2, compared to same week in 1949. Sales in Sask. fell 31%, in the Maritimes, 27%; in Ont., 12%; in Man., 8%; in Alta., 5% and in B.C., 4%.

Canadian Grain Stocks in store or in transit on Aug. 24 totaled 87,556,400 bu. as compared with 89,146,000 bu. a week earlier and 70,667,400 bu. last year. Cumulative total for the first 24 days of the new crop year was 2,015,300 bu. (31,675,400 bu.). Overseas export clearances of wheat during the week ended Aug. 24 totaled 1,183,000 bu. compared with 4,019,800 bu. last year.

Production of Leading Minerals in first six months of 1950 was increased. Asbestos, 391,772 (154,727) tons; cement, 8,045,450 (7,570,381) bbl.; coal, 9,598,311 (9,127,023) tons; copper, 133,296 (128,931) tons; gold, 2,199,944 (1,962,720) fine oz.; gypsum, 1,263,981 (1,088,374) tons; iron ore, 1,015,005 (905,887) tons. The following showed declines: lead, 72,290 (74,679) tons; lime, 510,911 (511,477) tons; nickel, 61,837 (68,038) tons; silver, 9,522,712 (8,185,435) fine oz.; zinc, 152,182 (135,109) tons.

Crude Oil Output in the first half of 1950 totaled 12,498,255 bbl., 27% over the 1949 total of 9,812,595 bbl. June output was 2,181,342 bbl. (1,957,195 bbl. in May and 1,701,539 bbl. in June, 1949).

Production of Sawn Lumber in B. C. in June totaled 312,514 M ft. compared with 275,901 M ft. in June, 1949. Production in rest of Canada dropped in June to 402,058 M ft. (419,768 M ft.). Cumulative total for first six months was 2,683,173 M ft. (2,715,702 M ft.).

Output of central electric stations in July declined 2.4% from preceding month, but was 12.4% above July last year. Cumulative total for first seven months of this year increased 6.6% over same period of 1949. All provinces shared in rise.

The apple crop, currently set at 15,209,000 bus. will be 16% below the 1949 harvest. Drop is due to poorer prospects in Nova Scotia where high winds and severe scab infestation have reduced both the size and quality of the fruit.

EATON'S

New Arrivals! Huge Selection!

Fine Raincoats

in English and Domestic Fabrics!

Lightweight Nylons and Plastics for travel or office use . . . heavier-weight cotton Gabardines and Poplins for Autumn drizzles . . . in smart, single-breasted raglan or double-breasted trench-coat styles tailored by some of the finest clothing houses in England and Canada. Choose your raincoat now . . . before Fall rains arrive.

EATON'S

Higher Costs Push Up Price Of Corrugated Paper Boxes

By W. L. DACK

Don't look now, but the cost-of-living "package" is likely to get another boost.

It's in sight in the price of the corrugated paper boxes which have been in increasing demand for safe transportation and delivery of the products of Canadian industry.

This week corrugated box officials, with orders racing two to three months ahead of output, are having to stop and work out new price schedules — the first change in two years. The new box prices will reflect last week's jump in cost of liner board and corrugating material—chief raw materials — and make allowance for an Oct. 1 boost in sulphate pulp which will likely push board prices higher again to the box mills.

One large box firm has already decided on price poosts averaging 10%. Another firm's average will run closer to 15% since it specializes in smaller boxes and has the added disadvantage of shorter production runs. The increases will affect hundreds of products carried to market in the popular corrugated shipping case.

Like many other Canadian industries, the $50 million a year box makers are finding that mounting costs are cancelling out a large percentage of their increased business. Combined sales volume of three of Canada's largest box makers has quadrupled from the average of the five prewar years, but profit is running just a little over double that period. With continuing shortage of liner board and corrugating materials from the paper mills, most of the box firms are having to turn away new customers particularly if their orders represent small unproductive runs.

Economy, both in cost of container and shipping cost, has been the big factor in the meteoric rise of the corrugated box. A good part of the gain has been made at the expense of wooden and wirebound boxes, which have had to move up sharply in price in line with all wood products. Advances in quality and design to better fit the paper box for the specific shipping job it has to do has also helped to expand the market.

Recently one large box maker invaded the heavy-volume textile field, traditionally belonging to the plywood box industry. Now its annual volume to this market runs around $700,000. Company officials say that within four or five years paper boxes will have gained practically the entire textile shipping market which in Eastern Canada alone amounts to over $3 millions annually.

Resourceful engineering and aggressive marketing are opening up the consumer market as well. Recently fancy peaches have been offered in one-dozen size corrugated boxes fitted with partitions. Dozen and half-dozen boxes of tumblers are now appearing on store shelves.

Promising results are being experienced in weatherproofing the boxes and still expanded markets are resulting from this new development. A large percentage of the goods currently going to the Korean battle area are being carried in weatherproofed corrugated shipping cases.

Recently Hinde & Dauch Paper Co. of Canada co-operated witn Molson's Brewery Ltd. to turn out a strong returnable fibreboard bottle container. The purchaser makes a 25c deposit for the box which he gets back when he returns the box of empties. Tests have shown that these boxes withstand 10 to 15 trips. Other brewery companies are now looking into the picture.

Expansion in the other paper box field — folding and setup — have been just a little less spectacular. Postwar trends in merchandising and new products have had a terrific impact on volume and design. Volume has been rising every year and in 1950 should top the $40 millions mark. But the biggest single development — which has meant expanded art departments and more sales research experts—has been the increasing advertising role the smaller boxes have been called upon to play. Boxes by their appearance now play an increasing part in making a sale.

Here are other developments that have meant sharply expanded demand for the folding and setup box:

1. The big swing to self-service in merchandising has meant putting up more products in attractive, packaged form.

2. Development of the frozen food field has presented the industry with a new fast growing market.

3. Postwar growth of the synthetic detergent market and more recently the addition of the margarine market has meant wider demands.

Proportion of package cost to product cost varies widely; in some cosmetic lines it represents as much as 50% of total cost, in many food lines it only amounts to 2% to 5%. But box makers claim that the saving in labor both in prepackaging and in wrapping at retail unit more than makes up for cost of most packaging.

Although their business is quick to reflect any change in industrial tempo, box-makers see no early let-down in demand in sight.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Dairy Farmers of Canada, having already collected $275,000 in an advertising kitty, now appoints two agencies to handle a national campaign aimed at wiping out a gap between milk consumption and production in Canada.

Sharing the account, are E. W. Reynolds Ltd. and Cockfield, Brown & Co.

The Reynolds agency (with Warren Reynolds, vice-president and managing director, as account executive) will handle merchandising and media; while Cockfield, Brown's farm expert, Hugh C. MacCallum, will handle agricultural aspects of the campaign.

The two agencies had made a joint submission, one of 16 examined by the farm organization.

The ad budget was collected by asking each of the Dairy Farmers' members from coast to coast to "set aside" one cent for each pound of butterfat produced during June. This formula provided for a potential of $300,000. Actual collection of $275,000 this year is considered "excellent response." It is expected that, as in the case of U. S. dairy farmers, the formula will be repeated from year to year so that the promotion drive will benefit from consistant advertising.

* * *

Association of Canadian Advertisers' annual three-day convention, a highlight in the advertising calendar, will not be held at its usual season. In its stead, a one-day "fall conference," largely devoted to speakers and panel discussion, will be held in Toronto Nov. 27. This new arrangement follows a change in the dates of ACA's fiscal year, which now ends March 31 instead of Sept. 31.

* * *

Keynon & Eckhardt Ltd. appoints George B. Macgillivray and William Wallace Jr. as account executives on the Toronto staff office.

* * *

Kenyon & Eckhardt Ltd. (Toronto) • appointed by Canadian Spool Cotton Co., Montreal, to handle advertising for its new line of Crown zippers. Fall campaign includes color ads in magazines and week-end papers; other insertions in metropolitan newspapers and farm papers; street car cards; and direct mail.

* * *

James Fisher Co.'s client, The Reardon Co., conducts fall campaign for Bondex Waterproof Cement Paint and Dramex One-Coat Interior Finish, using dailies and weeklies during September, October, and November. Ads tie in with pre-arranged window and store displays.

* * *

Tandy Advertising Agency Ltd. (Toronto) says that, following Brand & Millen's recent acquisition of exclusive Canadian manufacturing and distribution rights for complete line of Crosley radio and TV receiving sets, initial promotion is being centred on dealer relations. Consumer advertising will be scheduled for early 1951.

* * *

Ronson Art Metal Works (Canada) Ltd. (Toronto) reports fall and Christmas advertising will include half-page two-color space in eight national magazines and four week-end roto sections, plus seasonal commercials on two network radio programs "20 Questions" and "Le Journal de Claude-Henri Grignon." Three new table lights and three new sets added to line for Christmas buying.

* * *

O'Brien Advertising Ltd. (Vancouver) says 1950-51 salmon promotion for Anglo-British Columbia Packing Co., Vancouver, is under way in selected daily newspapers across Canada. Appropriation is split between display ads and editorial copy in a syndicated column. Five brands promoted separately.

* * *

Tandy Advertising Agency (Toronto) says word "Sea-Breeze" is being applied to all products of Sea-Breeze Manufacturing Ltd., Toronto, formerly Phono Motors Ltd. Change in company and product name stems from success of Sea-Breeze Electric Fan and current promotion of Sea-Breeze Electric Ironer.

Defense, Old Age Pensions Top Chamber Discussions

By KENNETH R. WILSON

BANFF (Staff)—Defense, social security, and trade held the spotlight here this week at the 21st annual meeting of the Canadian Chamber of Commerce.

Chief interest has centred round defense — especially a closed-off-the-record session at which delegates heard first-hand reports from a battery of Ottawa's top brass.

This included a lengthy review of the Korean campaign and the world situation in general by Lt.-General Charles Foulkes, Chief of General Staff; latest developments in atomic, biological and chemical warfare by Dr. Solandt, Director General of Defense Research, and Government's over-all defense program by Hon. Brooke Claxton.

For publication, the defense minister praised the work of the Chamber's Canada-U. S. committee for speeding reciprocal defense purchasing between the two countries.

The Chamber urged setting up immediately a separate Ministry of Supply to be responsible for industrial mobilization procurement and production. It urged immediate adoption and publication of a joint declaration of common principles to govern Canada's industrial mobilization. It urged as defense measures: Completion of the John Hart highway connection between Prince George and Dawson Creek within the next three months for use this winter; reconstruction of the Edmonton-Dawson Creek highway to No. 1 requirements; improvement of the Haines highway to the same standard as the Alaska highway. These highway recommendations came to the Chamber from its Northwest Development Committee which has been sitting here under Canadian direction of Dr. Charles Camsell.

Old Age Pensions

A panel on old age pensions heard Dr. Robert M. Clark, of the UBC, urge a "substantial increase in the amount of income pensioners are allowed before their government pensions are reduced." Also that pension payments be automatically adjusted to changes in the cost-of-living index.

The convention was told by John Lesage, M.P., that old age security legislation would definitely be on the agenda at the Federal-Provincial Conference this fall. It heard J. Moore, associate actuary of the Sun Life, urge a change in income tax laws to permit graduated vesting provisions in employer-employee pension plans.

From a U. S. visitor, R. L. Bowditch of Boston, the delegates heard a strong demand that Canada be allowed to export oil to U. S. without tariff barriers and that U. S. coal be permitted tax free entry into Canada. He also urged that "Nova Scotia coal be priced to permit entry to New England."

Such arrangements, said Mr. Bowditch, "would make feasible all-year mining of maritime Canadian coal, all-year marketing of this coal through ice-free ports, the abolition of indirect subsidy by the Canadian Government and a shortening up of the presently long and not too lucrative car haul by Canadian railroads."

Mr. Bowditch also urged amendment of the U. S. Jones Act to permit Canadian vessels to trade into Alaska ports and conversely that "especially built U. S. colliers be permitted to move coal from Cape Breton to St. Lawrence ports in the summer rather than insist on using less-efficient vessels simply because they are under Canadian registry."

Other recommendations of the Chamber included a demand for a Hoover-type Royal Commission on government spending; Monday holidays; the single alternative vote, uniform daylight saving time, improvement of the Hudson Bay route and adoption by the U. S. of the declaratory classifications principle in customs administration.

The Chamber delegates are enjoying a three-week trip through Western Canada. What seems especially to impress Eastern businessmen is the new confidence and prosperity of the West.

The newly elected first vice-president who will be in line for the presidency of the Chamber next year is F. Homer Zwicker of Lunenburg, former president of the Fisheries Council of Canada.

Kenwood OVERCOATS

Now at Simpson's! Kenwood Fabric

'Clipper-Weight' Overcoats

by WARREN K. COOK

Between the day you buy your Kenwood Fabric "Clipper-Weight" Overcoat and the day you discard it, however reluctantly, stretch many extra seasons of pleasurable wear. For Warren K. Cook tailoring adds stamina through fine workmanship. The result . . . not mere good looks . . . not only added warmth, but true comfort without undue weight. Seasonable shades in approved styles for men and young men. Each, $55.

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WE DO ALL PHASES OF POWER PLANT CONTRACTING
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Power Plant Contractors Limited

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A British Welding Electrode Manufacturing Company, with American outlook are interested in starting a Canadian selling organization, with the probability of eventual manufacture in Canada.

Applications are required from Canadian Nationals for the position of Chief Sales Representative, with a view to ultimate General Managership of the project.

Applicants should have a thorough knowledge of the industry, be trained Engineers and have something unusual in the way of energy and enthusiasm.

All applications will be treated in the strictest confidence.

APPLY BOX 348, THE FINANCIAL POST, TORONTO

FOR SALE

Two General Motors 500 H.P. diesels. Series 268 - 1260 R.P.M. counter clockwise straight eight cylinder engines in very good condition complete with clutches, reverse gears, water and oil pumps, fuel filters, heat exchangers, starting compressor, air receivers, exhaust pipes, etc. Ideal for mine, mill, oilfield or marine power. Great discount for immediate cash.

BOX NO. 312
THE FINANCIAL POST, TORONTO

PROFESSIONAL, DIGNIFIED
OTTAWA
Representation

General assignments solicited by high level government consultant. Personal services presently available for a very limited number of selected clients.

BOX 355
THE FINANCIAL POST, TORONTO.

ACCOUNT EXECUTIVE
with excellent experience
desires position, in Montreal, as
ADVERTISING MANAGER
Knows advertising thoroughly;
has management experience.
BOX 354, THE FINANCIAL POST, TORONTO

Steel Pinch On Consumers

(Continued from page 1)

Canada for essential war production.

This time the opposition was louder still. Now the U. S. is in first, Canada still far from being close to being on a war footing. In addition, U. S. mills were looking for customers in the early stages of the last war—certainly until the U. S. got in. This time, they're trying to dodge customers. Why then, cry the U. S. critics, should we export precious steel to Canada? The answer evidently was satisfactory: The loudest critics have piped down.

Meanwhile, the supply situation here and in the U. S. is steadily tightening. U. S. mills were operating at 98% of rated capacity last week but demand was still far in excess of supply. To a lesser degree, the same situation exists in Canada.

Despite record production during the first half, the Canadian supply situation is becoming more critical.

And it isn't due to war orders. There haven't been any yet. It is due to sustained and expanded domestic demand. This and the fact that curtailed exports from the U. S. have not been entirely offset by increased imports from the United Kingdom and Europe, is rapidly pushing the Canadian situation into the same acute stage the U. S. is already in.

Supply of hot and cold rolled sheets is critical. Canadian mills are booked solidly to the end of the year. Drummond, McCall & Co. reports that in addition, there was a large carryover of unfilled tonnage from second to third quarter. This situation will be aggravated further in the fourth quarter.

Steel plate is scarce, nails, which were in good supply, are hard to find again. Demand for non-ferrous metals is increasing at a rapid rate. Copper, lead, zinc and aluminum are tightening daily. Shortage of enameling sheets is acute.

Says the Drummond McCall trade bulletin: "The outlook for consumers in the immediate future is far from bright."

BUSINESS WANTED

Businessman wishes to purchase Toronto area manufacturing business or distributorship with growth prospects. $50,000.00 cash bracket. Confidential.

BOX 352,
THE FINANCIAL POST, TORONTO

MACHINERY DISTRIBUTING BUSINESS FOR SALE

Showroom and warehouse in good location, near Vancouver, B.C. Two trucks and repair shop equipment. Several U.S., Canadian and English agencies.

J. M. WINRAM,
789 W. Pender St., Vancouver, B.C.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Association of Canadian Clubs — Hon. Vincent Massey, president.

Henry Birks & Sons Ltd.—Lt.-Col. Gerald W. Birks, O.B.E., chairman.

Canadian Association of Provincial Liquor Commissioners — Edouard Rivard, K.C. of Province of Quebec, president.

Canadian Graphic Arts Association—George Swan, Winnipeg, president; James Irvine, Winnipeg, W. D. Hurley, Brantford, and O. S. Markham, Montreal, vice-presidents; Aime Laplante, Montreal, honorary treasurer.

Canadian Industries Ltd. (Montreal)—H. Lloyd Johnston, to head office engineering department; John D. Wright, works manager at Windsor.

Canadian Industries Ltd. (Montreal)—Milton A. Dewey, manager of new tetraethyl lead sales department, Toronto.

Canadian National Express—J. J. Quinn, superintendent of southwestern Ontario division; W. T. Ritchie, superintendent of eastern division.

Canadian National Railways—E. C. Champ, general freight agent, Toronto; F. M. Ward, superintendent of New Glasgow (N.S.) Division.

Canadian Pacific Railway — Edward T. Truman, superintendent of Edmonton division, Harold E. Powell, assistant superintendent at Windsor, D. E. MacDonald, auditor of disbursements, Montreal.

The Personnel Laboratory (Toronto)—James F. Hickling, director of client services.

Dalhousie University (Halifax) — Robert Graham Murray, associate professor of law; Robert E. Shea, assistant professor of law.

Department of National Health and Welfare (Ottawa) — Thomas Blue, supervisor of welfare service, Family Allowance Division, for Newfoundland.

Dominion Steel & Coal Corp. (Montreal)—George R. Powell, Sydney, superintendent of the department of pensions and compensation.

William Dow & Co. (Montreal) — George A. Gilmour, representative in Ottawa area.

Ethyl Antiknock Ltd.—Oscar B. Lewis, general manager.

Harrison & Co.—George N. Thomas, manager of new branch in Winnipeg.

Imperial Oil Ltd. (Toronto)—W. O. Twaits, a director.
Macgillivray, account executives.

Monarch Knitting Co. (Toronto)— A. W. Tucker, hosiery sales supervisor.

New Brunswick Association of Assessing Officers—J. E. Fournier, Dalhousie, president.

National Press Club—Roger Champoux, Montreal La Presse, president; Gwyn Thomas, Toronto Star, first vice-president; C. R. McElhiney, second vice-president; Ed Larracey, Moncton Times, recording secretary.

E. Roy Industries Ltd. — Parker Booth, general sales manager.

The Southam Co.—K. G. Southam, vice-president and general manager of Southam Press, Toronto.

Steel Equipment Co. (Ottawa) — J. S. Irvin, sales promotion and dealer relations.

Retirements

Canadian National Railway—C. S. Pushie, superintendent of New Glasgow (N.S.) Division and formerly terminal superintendent at Saint John, N.B.

Canadian National Express—S. H. Bullett, superintendent of southwestern Ontario division.

Canadian Pacific Railway—James Lorimer, auditor of disbursements, Montreal.

Ethyl Antiknock Ltd. (Toronto)— William M. Turnley, general manager.

What Happened BC Salmon Run

From Our Own Correspondent

VANCOUVER — The British Columbia fishing industry took it on the chin in the past week, to the extent of a loss of more than $10 millions in anticipated income.

It came when the famed Adams Lake run of sockeye salmon flopped. Instead of the 10 million sockeyes early estimates had said would school at the mouth of the Fraser (The Financial Post, Sept. 2), about two millions appeared.

Under the International Salmon Fisheries Committee arrangement, Canadian fishermen would have secured about four millions of the salmon. Instead, they got 700,000 worth about $1 million at the canneries. That cut the estimated pack to the same extent, with a loss of more than 350,000 48-lb. cases to the pack, and a corresponding drop in shore-workers' income.

Fishermen and canneries alike had looked forward to the four-year cycle run of Adams Lake sockeyes to bring them their biggest cash harvest in recent years. The unexplained failure of the school may result in losses for the year for some canneries, The Post is told.

Some $500,000 had been laid out on special gear this season.

Fishermen had been heavily staked by Chandlers, grocers who expected big season. Fifty boats bought big nets worth $8,000 each, but many nets came up with only seaweed and a few dozen fish.

One theory is that the disaster is the aftermath of the big weather shift last winter. Ocean currents may have crowded fish to the Alaska shore where the U. S. catch was up, as was Canadian northern inlet catch. But this doesn't account for all fish.

Out of the school, some 500,000 fish were allowed to escape up the Fraser to spawn.

Obituaries

Edward Bind, 64, Toronto, editor of Canadian Journal of Optometry and secretary-treasurer of Canadian Association of Optometrists.

Alexander John Campbell, K.C., 84, Truro, N.S., leading member of Nova Scotia bar.

Cecil Burdette McDougald, 68, Bridgewater, N.S., town manager and engineer.

William Murdock Robertson, 68, Ottawa, chief of research division, Dominion Forest Service.

William Gilbert Robertson, 63, Toronto general manager and secretary-treasurer, Ontario Motor League.

W. C. Ranson, 49, Edmonton, manager of Edmonton branch of International Harvester of Canada Ltd.

John Callum Stuart, 81, Windsor, Ont., lumber merchant and sportsman.

George Edward Treloar, 57, Toronto president of T. Tomlinson Foundry Co.

Dr. S. P. Whiteway, 82, prominent Maritime educationalist.

G. Bernard (Barney) Wrigley, 42, Toronto, president of Wrigley Publications Ltd.

RICH GROUP YELLOWKNIFE MINES plans to maintain holdings in good standing and to participate in exploration ventures, J. Bradley Streit, president, states in the annual report. Claims in the Yellowknife area can be held until January, 1968, without further work. Balance sheet as at Dec. 31, 1949, shows $8,802 cash and investments carried at $142,437. Current liabilities were $125.

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Desires Senior Post with prospects. Excellent experience at home and abroad. Manufacturing, Chainstores, Insurance.

Box 349, THE FINANCIAL POST, Toronto

TOP SALES EXECUTIVE AVAILABLE

Have you sales problems? If so, let's get together and discuss them. I am seeking an opening which offers scope for initiative and originality.

First class experience in administration: advertising: sales promotion: budget control. Thorough knowledge of Canadian market with broad experience in U. S.

Interested only in top-ranking organization. Toronto area preferred. Highest references.

BOX 358, THE FINANCIAL POST, TORONTO

ADVERTISING DIRECTOR

Here is an excellent opportunity for the right man to take over a key executive position with a large progressive merchandising organization, with headquarters in Toronto. The man we are looking for must, first of all, have a record of successful experience in advertising and a comprehensive knowledge of the whole field. Secondly, he should have some knowledge of and experience in, retail merchandising, preferably in the food business. He should be between 35 and 45 years of age and have a good education.

To properly fulfil the duties of this position, he will have to have the initiative and creative ability to develop ideas, be able to give proper guidance to our advertising agency and possess the knack of inspiring confidence and winning the support of his associates.

Salary will be commensurate with knowledge, ability and experience, and will be supplemented by modern employee benefits, including pension plan.

Reply, in confidence, giving age and details of education and experience, to

BOX 347, THE FINANCIAL POST, TORONTO

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITIONS WANTED

MECHANICAL ENGINEER — BUSINESS EXPERIENCE

OWNER OF SUCCESSFUL ENGINEERING practice desires position of responsibility with established firm (Toronto Area) in Development-Sales-Management field.

Good appearance and personality, highest personal standards of honesty and integrity, ambitious, capable, under 30, can make limited investment.

Please reply to—
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BUSINESS PERSONALS

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Mail Address and Telephone Answering Service only 88c a day. Convenient downtown location from which your representative can operate as effectively as if maintaining own office. 24 hour telephone secretarial service!

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INTERESTING and highly responsible position available for an experienced senior executive with sound knowledge of modern business and personnel practices. Will be required to exercise financial control and to direct several major units of administration in an agency employing artistic talent in its production process. Broad cultural interests desirable. Age 30-40. Salary $6600.

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EXECUTIVE ASSISTANT PERSONNEL WORK

LARGE FINANCIAL ORGANIZATION with branch offices across Canada offers real opportunity to individual qualified in personnel work. Someone between the ages of 30 to 36, bilingual if possible, would find this an interesting position with scope for full use of his talents. University training in psychology desirable but not absolutely necessary. Apply in writing, giving complete educational and work history and enclosing recent snapshot or photograph to Box 353, The Financial Post.

BUSINESS OPPORTUNITIES

CAPITAL AVAILABLE for purchase of active or controlling interest in sound Distributing Agency; Import-Export; Jobbers or Manufacturing concern. Advertiser, successful businessman. Brief outline first letter please. Box 350, The Financial Post, Toronto.

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WELL ESTABLISHED MANUFACTURERS' AGENCY doing substantial volume of business B. C. and Alberta can handle one additional line. Excellent connections hardware, electrical appliance, plumbing and heating trades, mining, logging and lumbering industries. Interested only in nationally advertised quality product. Box 357, The Financial Post, Toronto.

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is at your disposal . . . 23 years of it, to be exact. In that time we have advised and created plans for governments, employers, unions, associations . . . on pension, health and welfare plans, group insurance and practically every other plase of employee benefit planning. Our service is complete . . . including the designing of new plans or appraising present ones, determining costs, obtaining government approval, instituting records and procedures. Fees are based on service performed.

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PNEUMATIC TUBES

Regardless of the size the very fact that the direction of each organization is centralized shows the necessity of keeping this operation as concentrated as possible. Lamson Munro tubes assures lower cost, greater speed and accuracy keeping the entire organization within easy reach at all times. The cost of installation is low and enquiries are under no obligation.

Write today for our free folder "Wings of Business" . . .

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Limited
122 DUNDAS ST. W., TORONTO

More Probes On Combines?

(Continued from page 1)

reported on by Mr. McGregor, here's how they stood this week:

Bread: Action against the western trade association has been dropped, but is proceeding against individual firms in Calgary. Defense objections raised last April were this week dismissed when the hearings were resumed. The trial proper was expected to be under way before the week-end. The companies: Three McGavin bakeries at Winnipeg, Edmonton and Vancouver; Weston's Bread and Cake (Canada) Ltd., Winnipeg, Edmonton City Baking Ltd.; and Canadian Bakeries Ltd., Calgary.

Glass: True bill returned against nine glass companies under Criminal Code sec. 489(D) which deals with competition. Charge dropped under sec. 498(A) which deals with price discrimination among customers. Trial due to start in Toronto, Sept. 25.

The companies: Consolidated Glass Co., Toronto; Pilkington Bros. (Canada) Ltd., Toronto; Advance Glass & Mirror Co., Toronto; Canadian Plate and Window Glass Co., Toronto; Excelsior Plate Glass Co., Toronto; Lloyd's Glass Co., Hamilton; J. P. O'Shea & Co., Montreal, and Queen City Glass Co., Toronto.

Matches: Four informations laid this week against Quebec firms, alleging monopoly. Charges laid under secs. 2, 32, of the Combines Investigation Act rather than criminal code as in the glass case. This week, Justice Minister Garson told the House that his department was cooperating with Quebec in preparing the case against these firms. Eddy Match Co. Ltd., Valcourt Co. Ltd., Commonwealth Match Co. Ltd., Canada Match Co. Ltd., and Federal Match Co. Ltd.

Annual Report

But this wasn't all the combines news. The new commissioner, T. D. MacDonald, issued his first annual report since taking over from Mr. McGregor. It is for the fiscal year ending March 31, but covers less than two months operating under the new commissioner.

It contains nothing startling; but neither did the last report of Mr. McGregor. Look what happened. In view of current activity, the report appears to follow a somewhat similar pattern.

Meanwhile, the special committee set up to study combines legislation was holding its fourth session in Ottawa this week since its appointment following the McGregor resignation.

The committee, headed by Hon. Mr. Justice J. H. McQuarrie of the Supreme Court of Nova Scotia, is just getting down to the task of hearing submissions from all sections of the public.

The committee wants to get as wide an expression on combines as possible. Letters have gone out to national organizations including consumer groups, cooperative societies, labor, trade associations and business and professional groups, asking them to submit briefs.

Out of it, Ottawa hopes to get a combines law which will be realistic and effective without being repressive.

Look For It Here

Sept. 16, 1940

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"MY BANK"
TO A MILLION CANADIANS
B of M
CANADA'S FIRST BANK
BANK OF MONTREAL
WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

PRICES

(Continued from page 1)

with upward price pressures and tight supply indicating even higher levels.

Zinc has jumped 2¾c to 19c equalling its previous postwar high.

Lead rose 1c to 17½c the fourth advance in as many weeks.

Copper has been boosted to 26.95c from 24.75c. Washington has taken first steps in a plan to ration tight supplies of copper.

Dollar Rumor Rides Again

(Continued from page 1)

confirmed by recent government action in removing a substantial proportion of remaining emergency import controls.

But much of this improvement is due: (a) to delayed reaction following sterling revaluation last year; (b) large capital inflow. Furthermore, it is still not clear what will happen to our current dollar balances under the new conditions of creeping mobilization and rearmament.

Therefore we don't yet know where our current account balances are going to stabilize, and whether they will continue the up trend of the past 12 months.

(2) Another argument put forward is that until steps have been taken to completely remove emergency exchange controls, it will be unwise to put the Canadian dollar back to par. Already the government has moved to ease a large proportion of these restrictions. But a considerable number of these controls still remain.

(3) The long time argument is also put forward that what businessmen want in Canada is a "stable" dollar relationship. This argument is that under today's upset conditions, Canadian businessmen would prefer a stable dollar (even at a 10% discount) rather than a fluctuating rate.

A free dollar rate would involve throwing over the Bretton Woods agreement. It is suggested that this action on Canada's part might well cause a chain reaction throughout the world; might be a very questionable step at this time.

(4) It is argued that it is not possible to abandon capital control at the present time because of the heavy U. S. dollar obligations which might find us vulnerable in the event of a deepening world emergency.

This is used as an argument to support the view that since the government is destined to remain in the business of exchange control for some time to come, then it is probably more desirable to keep a stable rate for day-to-day transactions.

On balance, it seems apparent that the government (and its advisers) still have their fingers crossed as to what is going to happen to our current dollar balances under today's troubled conditions.

Certainly there is a hope the recent satisfactory balances will continue.

If this happens, then the first step, presumably, would be to remove remaining import restrictions at the year end. After that, and only then, would any further consideration be given to the dollar rate.

The Outlook On 1951 Taxes

(Continued from page 1)

$12.7 millions on 414 miles have been signed with the provinces.

Altogether, public works projects of one sort or another are believed to run close to $200 millions in 1950-51. Public Works estimates show only $100 millions; the rest is buried in other departments. How much of this can be lopped off is unknown. What is known is that Ottawa is seriously trying to do something about it.

As soon as the vast nature of the defense program became evident, the Government ordered a review of all expenditures to see what could be reduced or deferred, particularly construction projects and major purchases of equipment.

A big chunk of the construction program was under way and will be finished on the grounds that it will be cheaper to do it now than later. However, said Mr. Abbott, "it will be feasible to defer a good many projects . . ."

How much will the higher taxes bring? Here's Mr. Abbott's estimate for the rest of the fiscal year and for a 12-month period:

	Remainder of Current Fiscal Year $ mill.	In Full Year $ mill.
Corporations	$13.5	$ 85.0
Alcoholic bev. . . .	10.1	22.1
15% Excise	17.3	34.4
Soft drinks	8.5	24.0
Candies	9.5	24.0
Total	$58.9	$189.5

This means that the Government is counting on higher revenue and economies to pay for most of the increases in defense expenditures this year and to a lesser degree, next year too.

This year's increases add up to $244 millions: $144 millions for the armed forces plus $100 millions for military equipment.

This $100 millions is part of the $300 millions arms-aid program. The Government doesn't think production facilities will make it possible to spend more than $100 millions before the end of the fiscal year.

Of this year's $244 millions increase, new taxes will cover only $59 millions (see Abbott's estimate); of next year's estimated minimum increase of $200 millions, about $190 millions.

The slack is being taken up by higher revenue. In fact, Mr. Abbott is figuring on a bit of a surplus this year. In March, he estimated revenue yield at $2,430 millions for 1950-51. Now, in view of the increased business tempo, he's revised this upwards to $2,610 millions. Outside of defense, he expects expenditures to be held to the original $2,410 millions.

What happens if these sources of revenue aren't enough? Before the Government will raise personal income taxes or slap on an Excess Profits Tax, it is believed here that serious consideration would be given raising the sales tax.

In his budget speech, Mr. Abbott made what many consider a significant reference to it. In explaining why certain taxes had been passed over, he said of the sales tax: "Our present sales tax, particularly with its almost total exemption of food, fuel and building materials, does not deserve many of the criticisms that have been leveled against it . . ."

The tax is now 8%. Last budget day, Mr. Abbott estimated it would yield $400 millions this year. The buying boom has raised this considerably.

A 1% increase would increase revenue by at least $50 millions.

All in all, the revised tax structure plus higher revenues is expected to yield a whopping $2,800 millions in 12 months. Mr. Abbott doesn't now expect international events will demand higher commitments, at least not for two or three years.

"This," concluded Mr. Abbott, "is no light burden but it is within our carrying capacity. If, despite all our efforts, further burdens come our way, we shall expect to follow a pay-as-you-go policy to the practicable limits of its application . . ."

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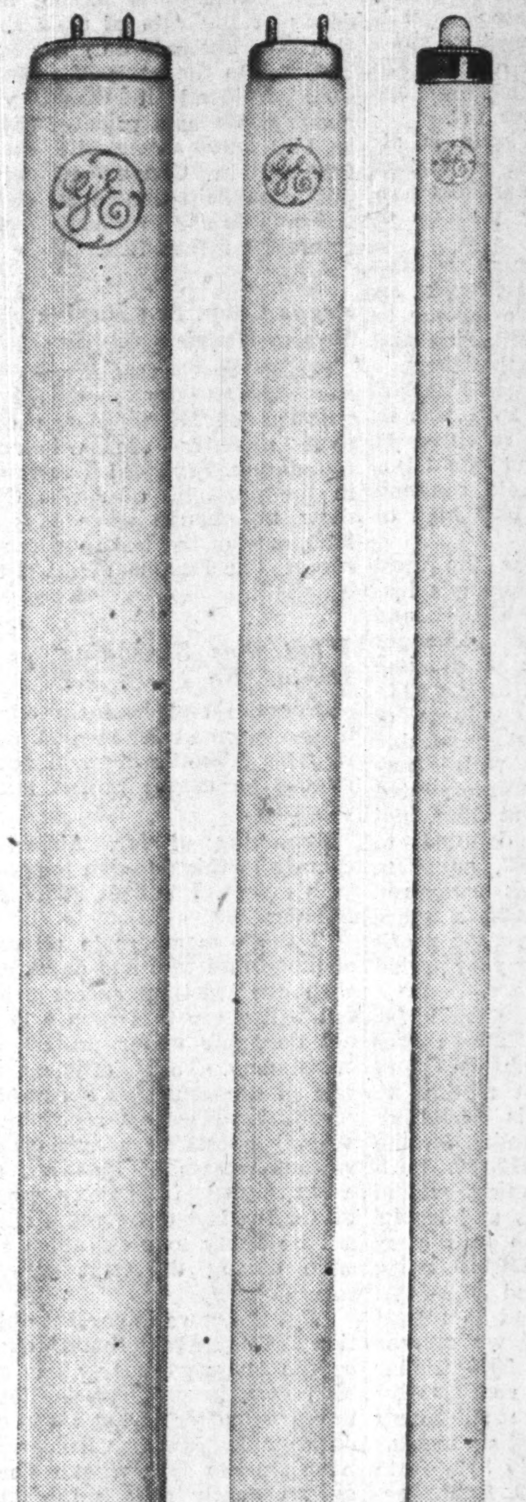

General Electric sold the first (low voltage) tubular fluorescent 12 years ago. Since then this light source has revolutionized lighting in factories, stores, offices, hotels and homes. All through this period continued G.E. research has made most of the major developments and improvements in fluorescent lamps. Today G.E. lamp users get nearly 20 times more lighting value per dollar . . . in lowered price, added life and increased light output . . . than they did in 1939.

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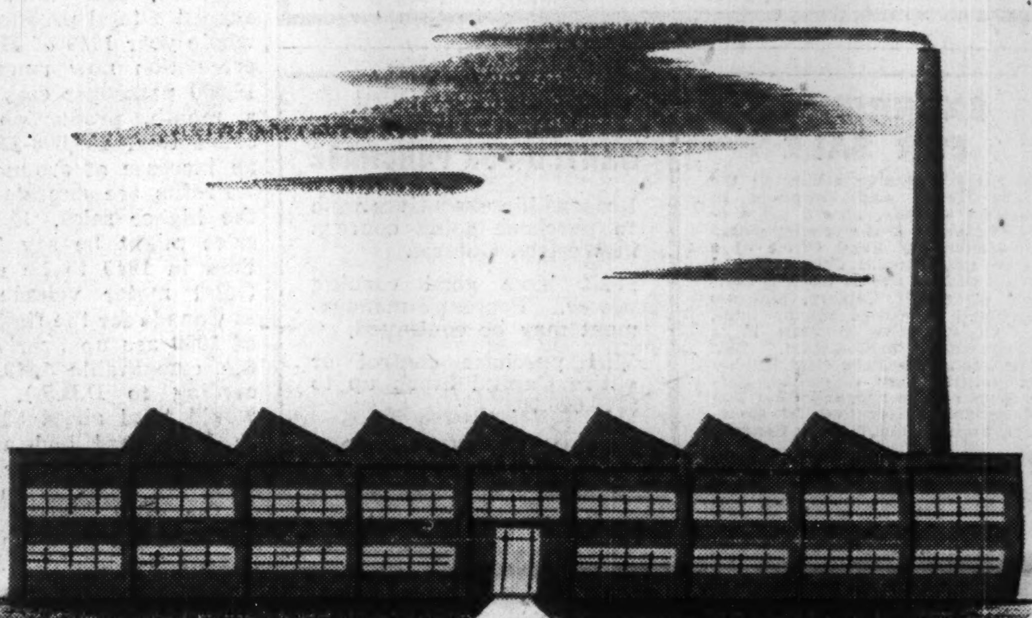

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LLOYDMINSTER PUBLIC SCHOOL BOARD

SEALED tenders are invited for the following debentures to be issued by the Lloydminster Public School District No. 1036, as follows:

1. The sum of Sixty-three Thousand Seven Hundred and Fifty ($63,750.00) Dollars by the issue and sale of Serial Debentures to be called "Series A" bearing interest at the rate of 4% per annum payable annually and payable as to principal which shall be as nearly as possible in multiples of One Thousand ($1,000.00) Dollars, and interest payable in each year, shall be as nearly as possible the same. Coupons shall be attached to each of the said debentures representing the respective payments of interest. The said debentures shall be in such denominations as the Board may deem advisable. The interest on the said debentures to be guaranteed by the Government of the Province of Alberta.

2. The sum of Sixty-three Thousand Seven Hundred and Fifty ($63,750.00) Dollars, by the issue and sale of Serial Debentures to be called "Series B" bearing interest at the rate of 4% per annum payable annually and payable as to principal in twenty instalments in such amounts that the aggregate amount of principal, which shall be as nearly as possible in multiples of One Thousand ($1,000.00) Dollars, and interest payable in each year, shall be as nearly as possible the same. Coupons shall be attached to each of the said debentures representing the respective payments of interest. The said debentures shall be in such denominations as the Board may deem advisable.

3. The debentures and interest coupons shall be payable in lawful money of Canada at the chief office of the Canadian Bank of Commerce at the Cities of Toronto, Montreal, Winnipeg, and Edmonton, in Canada, or at the Canadian Bank of Commerce in the Town of Lloydminster, in Canada, at the holder's option.

DEBENTURES will be ready for delivery approximately October 15, 1950.

TENDERS to be quoted on the total issue namely $127,500.00.

FURTHER information may be obtained from the undersigned.

TENDERS to be marked "Tenders for Debentures" and to be in the hands of the undersigned not later than 12:00 o'clock noon, October 6, 1950.

THE HIGHEST or any tender not necessarily accepted.

DATED at Lloydminster, in the Province of Saskatchewan this 9th day of September, A.D. 1950.

NEVILLE J. GOSS
Secretary-Treasurer of Lloydminster
Public School Board

BOUZAN GOLD MINES has sufficient cash and listed securities on hand to take advantage of acquiring any new ground that offers possibilities, President J. J. Coghlan states in the 1949 annual report. During the winter of 1950 a group of 20 claims was staked 1½ miles east of Merrill Island and a second property was purchased adjacent to the Campbell property, both in the Chibougamau area. Balance sheet as at Dec. 31, 1949, shows $11,773 cash, $1,948 of advances and $7,860 market value of securities against current liabilities of $100.

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INVESTMENTS THIS WEEK

Strength in Ford of Can. Based on Earnings Estimate

One feature of the Canadian stock markets has been the performance of Ford Motor Co. of Canada Class "A" stock which has more than doubled in price this year. It recorded a 1950 high of $58 a share on Aug. 17—more than double its 1947-49 high—and is still selling about $54 a share. At these prices the stock is selling higher than at any time since 1929, when it had a high of $70 a share, and some analysts are calling it to go higher yet.

Strength in this issue is attributed to a gradual realization by investors of the earnings possibilities and equity position of the company.

Although street rumors have been suggesting a stock split on anywhere from a two-for-one to a ten-for-one basis, The Financial Post is told officially that there is nothing to these reports. The last time the stock was split was in 1929 when holders received 19 Class "A" shares and one Class "B" share for each old common share which had a 1929 high of $1,150 a share.

The year 1949 was the most successful in the company's history. Sales of $212,036,601 and production of 112,130 passenger cars and trucks both set all-time records. As a result of the $43,747,713 increase in volume of sales and the most favorable operating conditions which permitted almost uninterrupted production throughout 1949, net profit more than doubled to amount to $17,256,762, equal to $10.40 a share. This compared with earnings of $4.80 a share in 1948 and to an average profit per share for the four year period 1946-49 of $4.66 a share.

Sales for 1950 are said far ahead of last year. Ford's production of passenger cars and trucks for the eight months to Aug. 31, 1950 totals 93,841 as against a total production for the whole year 1949 of 112,130. With production now running around 14,000 passenger cars and trucks a month, production this year could total 145,000-150,000 units, an increase of around 30%-34%.

Profits are expected to reflect the higher sales. If we assume sales might be say 25% higher than in 1949 to be conservative (total motor vehicle shipments in Canada for the first six months of 1950 are up nearly 37% from the comparable 1949 figure according to D.B.S.), Ford sales would total about $265 millions. In 1949 Ford had a margin of profit of 8.13c per dollar of sales. If this margin is applied to the sales figures it indicates a net profit of over $21.5 millions, equal to about $13 a share, based on the combined Class "A" and Class "B" shares. If sales were up 30% it would indicate earnings of $13.50 a share.

But profit margins have a tendency to increase as volume increases in any business because the fixed overhead is then spread more thinly. This was well illustrated by Ford whose 1949 margin of 8.13c compared with 4.73c per dollar of sales in 1948 and an average margin for the four postwar years 1946-49 of 4.09c per dollar of sales. If the margin were to increase say to 9c in 1950 the indicated net profit would be equivalent to about $14.40 a share assuming a 25% increase in sales.

At $54 a share, Ford of Canada Class "A" is selling at only 5.2 times its 1949 earnings of $10.40 a share. Further, it is selling at only around four times the above indicated earnings for 1950.

Also seen as favorable factor for the stock is the fact that the 1949 profit included only $1,500,811 of dividends from subsidiary companies as against a net profit for these subsidiaries of $6,818,368. Profits for these companies are earned in the currencies of their respective countries and are not available to the parent company except to the extent that overseas governments may authorize payment of dividends out of them.

Ford's total assets have more than doubled since the end of 1939. Equity per share amounted to $43.59 at Dec. 31, 1949. Working capital of $48,340,866 was equivalent to over $29 a share and current assets included nearly $42 millions cash and bonds.

The company is paying dividends at the rate of $2 a share this year but paid an extra $1 in March. On the basis of a $3 annual dividend it would yield about 5.56% at a price of $54. It is the only automobile manufacturer in Canada in which public participation in the shares is available and so holds a special interest for investors.

* * *

Argus Corp. Not Buying Massey-Harris Common

Street reports that Argus Corp. has substantially increased its holdings of Massey-Harris common recently are without foundation. Principal investments in the portfolio of Argus Corp show no change since May 31, 1950, date of the last semi-annual report, The Financial Post is told officially.

* * *

What Was Reasoning Behind No E. P. T.?

Investors and business executives welcomed Finance Minister Douglas Abbott's decision not to impose an excess profits tax at this time.

Reasoning of Mr. Abbott in coming to this decision is set out in his Sept. 7 budget address as follows:

"I think members in all parts of the House who had experience with our wartime excess profits tax will agree that such a tax is not desirable under present circumstances. To be efficient and fair an excess profits tax needs a recent base period representing normal operating conditions for various classes of business, and a tax related to the average profits for the last three years would not be likely to yield much revenue during the next year or two.

"But the more important objection at this stage is that an excess profits tax, particularly one at a high rate, becomes an invitation to extravagance and waste in corporate management, whereas, as I have already said, what we need most urgently now is maximum efficiency and production. I have no doubt that all honorable members know or will have heard of cases of such waste and extravagance. Furthermore, in spite of our best efforts to make an excess profits tax as fair as possible there are bound to be severe inequities under this kind of legislation. Under conditions of total war many businesses would be compelled to accept these inequities and hardships. I am reluctant, however, to impose this severe type of regulation under present circumstances.

"I should also point out that there are provincial corporation income taxes, and that the total income tax payable by corporations in the two central provinces will be 22% on the first $10,000 of taxable income and 45% on the remainder. These are very high rates both on total profits and on any increases in profits. For such reasons as these we have come to the conclusion that an excess profits tax under present conditions would be neither economically sound nor fiscally useful."

There is wide interest and agreement in the Government's decision in this matter.

Brazilian Traction Has Drawn Down $36.8 Million Loan

Brazilian Traction, Light & Power Co. had drawn down $36,827,367 of the $75 million loan granted it by the International Bank For Reconstruction & Development as at June 30, 1950, according to the Bank's annual report. This is an increase of $11,904,208 from $24,923,159 borrowed as at Dec. 31, 1949.

The loan is to help finance Brazilian's expansion of electric power generation, transmission and distribution facilities and telephone facilities. Cost of the program was estimated at $182 million, the non-cruzeiro portion of which was about $75 million. The loan, granted by the Government of Brazil was to purchase equipment and supplies unobtainable in Brazil.

"By the fall of 1949 it had become clear that the actual foreign exchange costs of this program would be somewhat lower than estimated," the Bank reports. "As a result of these and other savings, the company and the Bank agreed to modify the loan agreement by adding a number of new items, including the purchase of the floating steam plant 'Sea Power," to be used first at Rio and then at Santos, as an additional source of power pending the completion of the company's expansion program."

This change was also referred to by Brazilian's President Henry Borden at the annual meeting. (The Financial Post, July 1).

Mexican L. & P. Has Drawn Down $5.5 Million Loan

Mexican Light & Power Co. had drawn down $5,542,741 of the $26 million loan granted it by the International Bank for Reconstruction & Development as at June 30, 1950 according to the Bank's annual report. The loan, guaranteed by the Mexican government, is for 25 years, interest rate of 3½% plus the usual 1% commission charge or cost to the company of 4½%.

This loan will enable the company to continue with its share of a long range program, undertaken jointly by it and the Federal Electricity Commission to increase electric power supply to Mexico City and district. Under the program the company will have added 155,000 k.w. to its generating capacity by 1953 and the Federal Electricity Commission will have added 170,000 k.w. Company will distribute all the additional power within the federal district.

Canadian Loco. Plans Advance For FM Diesels

Production of a new line of diesel locomotives in Canada — competition for Montreal Locomotive Works and General Motors Diesel Ltd. — is seen with the testing by the CNR of a new type of road diesel. The test locomotive is a demonstrator model of the Fairbanks-Morse Opposed Piston Diesel and is a prototype of ones to be built in Canada by Canadian Locomotive Co., Kingston.

With speeds up to 110 miles per hour, this streamliner has been built especially to deliver the horsepower and tractive effort needed for the fastest passenger train schedule on this continent, it is stated. The unit on trial packs 4,800 h.p. into its two power plants. Fairbanks-Morse locomotives of this type, known as consolidation or "C-Line" are on crack U. S. runs.

Tooling preparations to build "C-Line" locomotives and switchers are already well advanced in the shops of Canadian Locomotive Co., Vice-President and General Manager J. J. Jarrell announced. Fairbanks-Morse opposed piston diesel engines will also be made in the Kingston plant.

Tests in fast freight service have already been made in Canada by the CNR. The locomotive was recently hauling the CNR'S International Ltd.

Fairbanks-Morse & Co., Chicago, acquired control of Canadian Locomotive Co. earlier this year.

Famous Players Profit Higher, Adds Theatres

Earnings of Famous Players Canadian Corp. to date in 1950 are slightly better than the same 1949 period, President J. J. Fitzgibbons tells The Financial Post.

"With the economy going the way it is, I don't see how the amusement industry can fail to do better," Mr. Fitzgibbons said. There is an improvement in the quality of the pictures coming through and scheduled to come through, he said.

The company has spent more on capital expenditures this year than it forecast at the beginning of this year. It expects to open a new theatre in Kenora, Ont. on Oct. 3 and another new one in Lethbridge, Alta. on Oct. 9. New theatres are also under construction in New Waterford, N.S., Moncton, N.B. (just started), St. John's, Nfld., Prince Rupert, B.C and Kamloops, B.C.

The new big drive-in movie theatre at Regina was opened the end of this week. Drive-in theatres were opened at Nanaimo, B.C., Saskatoon, Sask. and Winnipeg during the summer and another new one is just being finished at Prince Albert, Sask The company is now operating 18 drive-in theatres. These were moderately successful this summer despite bad weather, Mr. Fitzgibbons said.

In addition the company is continuing to modernize existing theatres.

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BOX 344, THE FINANCIAL POST, TORONTO

PRODUCTION MANAGER WANTED

A small manufacturer, now operating successfully with one product, would like to extend operations. We would like to meet a man with wide experience and talk over possibilities. This man should have some specific product or products in mind, should know the sales possibilities of same and should be capable of putting them in production on a profitable basis. Over 45 does not matter, as long as you know your business. Write fully what you have in mind and your proposition to

Box 351, THE FINANCIAL POST, TORONTO.

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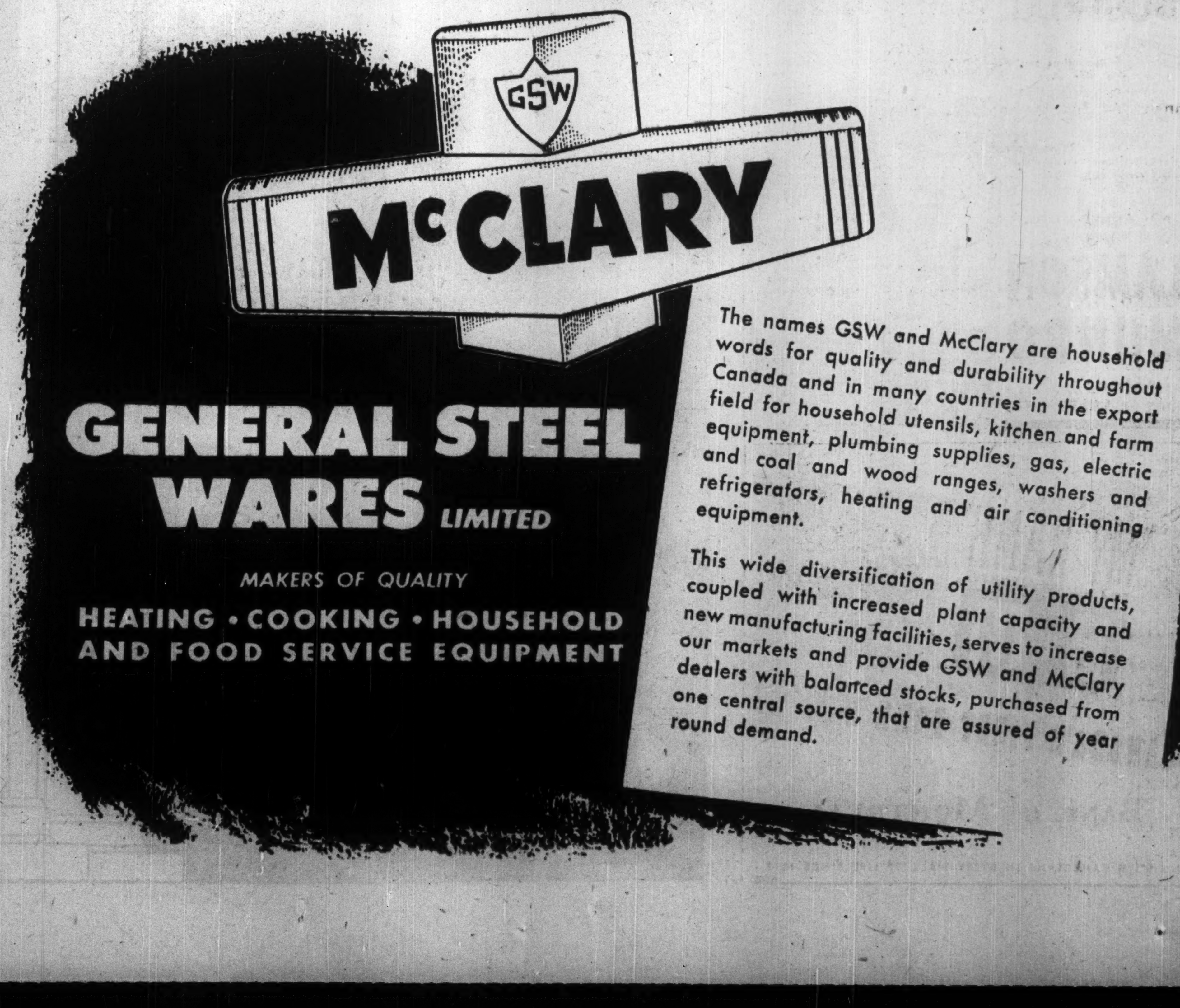

Frank Horner To Capitalize Undist. Surplus

A special general meeting of Class "A" and Class "B" shareholders of Frank W. Horner Ltd., Montreal pharmaceutical firm, has been called for Sept. 26 to consider authorizing creation of 600,000 preferred shares, par $1, and sanctioning a directors resolution to pay a 15% tax on the accumulated surplus at Dec. 31, 1949 in accordance with Section 95A of the Income Tax Act.

Directors decided to take advantage of the recent amendments of the Income Tax Act permitting it to pay a tax of 15% of its undistributed earnings and to capitalize the resulting tax-paid undistributed income by creation and issuance of preferred shares, President H. R. Horner advises shareholders.

Accumulated earnings were approximately $460,000 and the resulting tax-paid undistributed income will be approximately $390,000, Mr. Horner says. The bylaw authorizing the creation of the new shares provides for 600,000 $1 par value redeemable preferred shares and it is intended to issue as a dividend sufficient of these shares to capitalize the $390,000. Holders will receive preferred shares for a par of about $3.50 for each Class "A" or Class "B" share held. There will be no tax on this dividend.

From time to time as earnings permit directors intend to redeem the preferred shares and again holders will not be taxed on receipt of the cash on redemption.

The new preferred shares will be entitled to non-cumulative dividends of 1c a share a year.

LAKE ST. CHARLES, QUE. has sold $7,500 3% debentures due June 1, 1951-55 and $102,500 3½% due June 1, 1956-65 to Grenier, Ruel & Co. and Oscar Dube & Co. Inc. at 96.05. Net average cost to the corporation 3.869%. Proceeds for waterworks and fire protection. No other long-term debt. Population 882 in 1949.

JAMES F. HICKLING

has been appointed director of client services for Canada, with office in Toronto, for the Personnel Laboratory of New York.

Hahn Brass Co. Plans Capital Change, Split

A special general meeting of shareholders of Hahn Brass Co., in conjunction with the annual meeting on Sept. 25, 1950, will be asked to approve a two-for-one split of the preference and common stock. Holders of participating preference shares, immediately following this meeting, will also vote on the change.

Following the split, authorized and outstanding share capital will consist of 30,000 no par value Class "A" and 50,000 no par value common shares. Each of the presently outstanding 15,000 $1 cumulative participating shares will be split into two Class "A" shares and each of the outstanding 25,000 no par value common shares into two new no par value shares.

Class "A" shares will carry fixed cumulative preferential dividends at the rate of 80c per share per annum but will not be entitled to participate in any further dividends. The proposed rate of 80c per share is equivalent to $1.60 per share on the present preference stock, as compared with the present fixed rate of $1 per share. Dividends on the Class "A" shares will be payable quarterly, instead of half yearly and will accrue from July 1, 1950 with the first quarterly dividend being payable on Nov. 1.

In all other respects provisions applicable to the Class "A" and common shares will be the same as those attaching to the present preference and common shares.

Two other bylaws will also be submitted. One will provide for an application to change the name of the company to "Hahn Brass Ltd." and the other will provide that the company may have more than one vice-president.

The purpose of the proposed capital reorganization is to clarify the capital structure so that the preferred holders will know how they stand as to dividends and both new classes of shares can find the proper market level, The Financial Post is told. It is also desirable to create more shares in order to obtain more shareholders and to have a broader market on the company's issues, it is stated.

DELHI (TEMAGAMI) GOLD MINES shares were called for trading on the Toronto Stock Exchange Sept. 11. The company, formed in 1934, is now exploring and developing lead prospects in the Temagami district. Authorized capital is three million shares

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Can. Superior Oil's Common Shares Offered

A new issue of $1 par common shares of Canadian Superior Oil of California, Ltd., to be offered this week, will consist of a total of 2,150,000 shares of which 215,000 shares will be offered in Canada at $11 a share Canadian by a syndicate headed by Wood, Gundy & Co. and 1,935,000 shares will be offered in the United States at $10 a share U. S. by a syndicate headed by Dillon, Read & Co. Inc.

Canadian Superior Oil of California Ltd., a Dominion company, (formerly Rio Bravo Oil Co.) was incorporated in 1943 and is a subsidiary of Superior Oil Co. (of California). Head office is in Calgary with other offices in Edmonton and Regina.

Following the discovery of the Leduc oil field in Alberta in 1947, Superior Oil Co., through its Canadian subsidiary, launched an extensive program of freehold leasing and also obtained reservation of oil and gas rights. This program resulted in obtaining, as of May 31, 1950, approximately 1,658,000 acres of freehold leases, approximately 306,000 acres of Crown leases, approximately 490,000 acres under reservation from Canadian Pacific Railway, approximately 111,000 acres under option to lease from Calgary & Edmonton Corp. and approximately 1,533,000 acres under Crown reservation. The Crown leases, Calgary & Edmonton options to lease and Crown reservations are all in Alberta, the CPR reservations are in Alberta and Saskatchewan and the remaining freehold acreage are in Alberta, Saskatchewan and Manitoba.

Subsequent to May 31, 1950, two of the Crown reservations covering about 192,000 acres were converted into Crown leases covering about 95,000 acres and the company acquired additional Crown reservations covering about 432,000 acres.

Net proceeds of the issue of about $20 millions are to be used about $400,000 to repay advances made by Superior Oil Co. since May 31, 1950 and the remainder principally for acquiring and holding reservations and leases and for exploratory drilling and other operations and expenses.

Consolidated balance sheet of Canadian Superior Oil of California Ltd. and wholly owned subsidiaries at May 31, 1950 showed total assets of over $6,700,000 including capital assets at cost of over $5,400,000 of which exploratory and production expenses amounted to over $3,100,000.

Capitalization outstanding on completion of the financing will consist of 4,450,000 common shares of which 2,300,000 or over 51% will be held by Superior Oil Co.

Switching Easier For Non-Residents Of Sterling Area

Canadians, holding sterling securities in the United Kingdom or in other parts of the sterling area, now have wider scope for switching into other sterling securities under a new regulation of the Bank of England, effective Sept. 4.

Under this regulation, "non-resident" holders of sterling securities — that is holders outside the sterling area — have been allowed to switch into any security quoted on a stock exchange in the sterling area that is not redeemable earlier than 10 years from purchase; non-resident holders of blocked sterling balances have been accorded similar freedom to invest their funds. Application for permission must still be made to the Bank of England.

Under regulations introduced in 1948 non-resident holders of British Government securities had not been allowed to switch out of them into industrials — and all non-resident holders were precluded from switching into South African or Rhodesian securities. Permission also generally was withheld from any switches that involved a change in the "country of borrower," i.e. a Canadian holder of a British Government sterling security could only switch into another British Government sterling security. Under the new regulation a Canadian holder of a British Government sterling security may now switch into a Canadian Government sterling security or into British industrial securities.

Ind. Acceptance $5 Million Issue

MONTREAL (Staff) — Industrial Acceptance Corp. has issued $5 millions of 2¾% secured notes, maturing March 1, 1953. The issue was placed privately by Greenshields & Co. and Wood Gundy & Co. Ltd.

They are secured by deposit, with the trustee, of receivables purchased in the ordinary course of business and rank pari-passu with all other secured notes issued by the company. Proceeds will be used to retire demand loans.

The company's unsecured long term debentures preferred and common stock and surplus amounted to approximately $24,250,000 at June 30, 1950. Secured term notes, maturing from 1950-64, with interest from 2¼% to 3½% according to term, now amount to $40 millions, including this new issue.

St. Clair Grain & Feeds Ltd. Offers Bonds; Plans To Expand

Public participation in St. Clair Grain & Feeds Ltd., Chatham, Ont. in order to expand its activities is being invited with the offering of $500,000 5% first mortgage debentures, dated Sept. 1, 1950 and due Sept. 1, 1970, at par.

Distribution has not been placed with an outside broker but is being handled by company officials as "we feel that the projects are of particular value to residents of this area," President H. E. Webster says.

Proceeds are to be used $150,000 to construct storage silos at Chatham; $50,000 to construct storage silos at Tilbury; $65,000 to purchase White Hybrid Corn Producers Ltd. office and warehouse on Richmond Street W., Chatham, presently rented by the company, and also oil tank and scale buildings including furniture, etc.; $55,000 to retire 4% debentures maturing Sept. 1, 1959; $175,000 to reduce a bank loan and $5,000 for estimated commission on sale of debentures.

Incorporated June 23, 1944, St. Clair Grain & Feeds Ltd. handles and processes wheat, corn, barley, oats, soybeans and other grains and carries a full line of feeds, fertilizers, seed and other farm supplies. It has contracting rights for barley grown for malting purposes in the area. Head office is in Chatham and branches are located at Merlin, Tilbury and Wallaceburg. It operates Dresden Grain & Feeds on agreement with the present owner whereby it retains 10% of the net profit after all charges.

Net profit was $36,952 for the 11 months ending May 31, 1950, and for the years ending June 30 was $17,228 for 1949, $11,355 for 1948, $28,885 for 1947 and $15,162 for 1946. Year end has been changed to Dec. 31.

Capitalization outstanding will consist of $500,000 first mortgage debentures and 50,000 no par value common shares.

Directors are H. E. Webster, president and general manager; G. A. Webster, vice-president; Mrs. L. J. Wolverton, secretary; G. E. Sims, comptroller, all of Chatham; M. F. Hickey, Wallaceburg and C. O. Ludwig, Tilbury.

Monarch Knit. Net Up 19.1%

A net profit of $48,196 for the six months to June 30, 1950 is shown by Monarch Knitting Co. in a semi-annual report to shareholders. This is up 19.1% from the net of $40,458 for the first six months of 1949 and compares with a net of $55,430 for the whole of 1949. The net profit is equivalent to earnings of 37c a common share (29c in first six months of 1949).

Sales volume showed a small increase. Operating profits for the first six months, after provision for depreciation of $115,000, amounted to $80,196. Provision for income taxes was $32,000. Depreciation is not the maximum amount that the company could claim under the income tax regulations but is calculated on the same basis as used in the 1949 annual account.

Raw commodity markets for wool and cotton have spiralled sharply unward over the last six months and especially since the advent of the "Korean situation." The company, at June 30, is carrying adequate inventories of goods to meet the expected demands of the fall sales season, which may, in light of present world conditions, prove to be quite profitable, Vice-President and General Manager K. L. Markon says. Directors believe that barring unexpected happenings (such as a further lowering on imports from abroad, further changes of sterling or U. S. currency values, etc.) the last six months of 1950 may be viewed with reasonable confidence.

Capital changes in the first six months consisted of the redemption of 45 preferred shares, purchased through sinking fund provisions, and retirement of $60,000 serial debentures which matured April 1.

Working capital amounted to $1,857,925 at June 30, 1950; fixed assets amounted to $1,583,191 and other assets to $183,435—making a total of $3,624,551.

TOWN OF NEWMARKET, Ont. new issue of $369,600 3½% debentures due 1-10 years, 1-15 years and 1-20 years, has been purchased by public tender by Bank of Toronto and R. A. Daly Co. Price was $102.43. Proceds are for sewers, sidewalks, waterworks and municipal light and power and public school purposes.

Imports Threat To Silk, Rayon?

MONTREAL (Staff)—Concern over the danger to the Canadian Industry of increased imports of rayon and nylon was expressed this week by W. G. Hicks, president of the Silk and Rayon Institute.

Addressing the annual meeting of the Institute, Mr. Hicks, general manager of Belding-Corticelli Ltd., stated that "almost the entire market for Canadian production lies in Canada and the industry depends for survival on what share of this market it can retain in competition with imports."

Admitting that Canadians are using more rayon and nylon goods today than ever before, he warned that Canadian mills are supplying a smaller share of the expanding home market in competition with imported goods.

He explained how rayon fabric imports from the U. S. had increased during 1949, adding that after quotas are removed Oct. 1 "it remains to be seen how much further imports from the U. S. will grow."

In 1949, Canadian plants produced an estimated 118 million yards of rayon and nylon fabrics, an all-time high and up 14 million yards from 1948. Imported fabrics rose to 20.5 million yards (18.9) and exports dropped to a new low of 752,999 yards (3.5 million).

CHARLEMAGNE, QUE. has sold $7,500 3% debentures due Oct. 1, 1951-55 and $27,500 3½% due Oct. 1, 1956-70 to Credit Interprovincial Ltd. at 95. Net average cost to the corporation 4.017%. Proceeds for waterworks. Net funded debt $9,500 at Dec. 31, 1949. Population 1,700.

DAVID S. HORAN

ROBERT T. MONRAD

Retirement of Mr. Horan, General Manager of "Junket" Brand Foods Division of Chr. Hansen's of Canada, Ltd., has been announced, effective August 31st, 1950. Mr. Horan has been with the Company for over 51 years.

Robert T. Monrad, who has been with the Company for more than 14 years, takes over as General Manager in Canada. *

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SUITS . . . all new imported fabrics in worsted, saxonies and cheviots. Finely tailored to your personal specifications, and exclusive pattern. Purposely made to give you the utmost in distinctive comfort and professional appearance. Order now for early delivery.

TOPCOATS . . . imported coverts, cheviots, camel hair, and cashmere fabrics—are superbly tailored for your fall wearing pleasure. Choose any style that suits you best, any color or model and Morgan's Custom Tailors will make it to your absolute satisfaction. You will be delighted at the perfect fit and distinctive lines of your topcoat from Morgan's.

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Also N.H.A. six-room bungalows under construction at $2,500.00 down.
Come out the week-end and see the view of the lake and the Scarborough Bluffs, eighth wonder of the world. The first buyers will naturally get the choicest locations.

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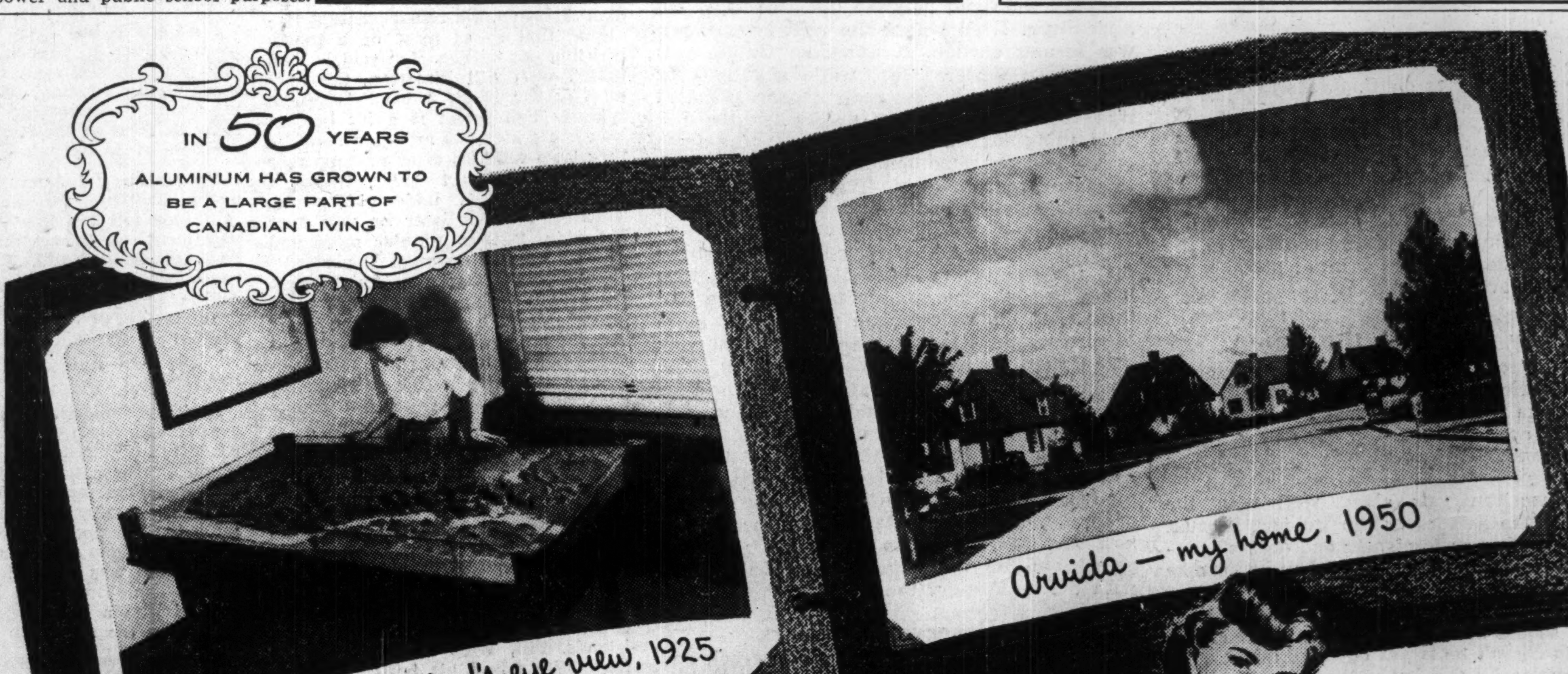

"It means a lot to me!"

"*See this model?* It was made before I was born, and when Arvida was just farmland. Yet I can show you on it just where our house is, and the streets along which I come to work, or go to the stores, or to church, or to play tennis or ski. And I can show you the aluminum smelter where my father works, and the powerhouse where my boyfriend works — and the house in which we're going to live when we're married.

"It's all here. This is a miniature of an up-to-date city, a city that has everything — and was born full-size. That's why I call it, '*A piece of future Canada in a glass case*'.

"You see, an engineer's dream has added a city to Canada — a place where 12,000 people like me live and work and enjoy ourselves. My neighbours who have lived in other places tell me this is the nicest city in Canada. Certainly I wouldn't want to live anywhere else."

The smelter at Arvida, the powerhouses at Shipshaw close by, the wharves at Port Alfred a few miles away — these are only parts of what Alcan has planned and built in Canada during the last fifty years. The Company is still planning, still building. Its growth makes Canada a bigger, better, richer place in which to live and work — for every aluminum ingot produced in Canada makes Canada that much better off.

ALUMINUM COMPANY OF CANADA, LTD.
Producers and Processors of Aluminum for Canadian Industry and World Markets
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ALUMINUM ALCAN The MODERN METAL

How Will We Sell Our Wheat?

It's time this country did some serious thinking about selling wheat. Unless nature has something abnormal up her sleeve, Canada will harvest a big crop in the next few weeks, not as large as was hoped a month ago, but still very close to the bumper category.

But other countries are expecting big wheat crops too. There are good prospects in the United States, as well as a heavy carryover from previous years. Even in Europe there are reports of surpluses, with France, for instance, planning to come into the export picture in a substantial fashion.

All this means that selling wheat is going to be a major job this coming year. No longer will the seller be able to sit back and dictate his own terms.

Our recent experience is not going to help except as an example of something to avoid. Even the top people in the wheat pools and in the Canadian Federation of Agriculture who forced Ottawa into the Anglo-Canadian wheat deal and compulsory state marketing must have learned a lesson.

That ill-advised venture cost western wheat growers over $400 millions in the last four years and nobody can even guess the loss in goodwill among countries that used to be substantial wheat customers. It is to be fervently hoped that the authorities have firmly decided against listening to any more "advice" from the people responsible for that gigantic and expensive blunder.

Obviously, we are going to need every competent wheat salesman and every bit of wheat selling machinery available. That should mean the immediate reopening of the Winnipeg Grain Exchange and the full employment of the regular wheat trade.

This is not the time to talk nonsense about "agricultural stability," to hold back for unrealistic prices while our competitors are underselling us.

Aside from the extra harvesting, this big crop has cost us no more than one of half its size. That gives us an opportunity for selling our top quality wheat cheaply and winning back our old customers. We should be starting that job at once.

Why Shun Politics?

Do businessmen participate adequately in politics?

A Denver, Colorado, executive took his own local poll to find out. He got over 2,300 replies.

Over a third of those executives responding hadn't registered (a U. S. requirement) so were unable to vote.

Of those who had registered, 41% were unaffiliated with any party so could not participate in party meetings or in the selection of candidates.

We suspect a Canadian poll would be almost as disturbing.

With the great growth of shareholder-owned corporations and with the increase in company size, the practice of businessmen and their employees taking no active part in politics has become more widespread—and more dangerous.

Like 'em or not, party politics are the way democracy is run, and democracy we are trying to maintain. But with the executive group—the people of responsibility and experience of affairs—refusing to co-operate in the operation of our political institutions, our system is gravely jeopardized.

Certainly other groups are extremely active in party politics.

The Denver test found that 80% of organized labor was registered for voting; and affiliated with a party, hence able to have some influence on the choice of candidates. It revealed too that nearly every old-age pensioner is registered, affiliated and active in party affairs.

Businessmen should, in the national interest, re-examine their policies in this regard.

The Truth About Newsprint

If further evidence were needed to refute the nonsense aired in Washington some months ago about Canadian producers curtailing production of newsprint wanted by U. S. consumers, the special report on pulp and paper in this issue of The Financial Post supplies it in abundance. While American imports of our newsprint have fluctuated considerably over the last 20 years, Canadian capacity and production have stepped up steadily.

Before the war the United States consumed 44% of the total world supply of newsprint and it got 67% of its requirements from Canada. Today the United States consumes over 60% of total world supply and it draws 80% of its needs from Canada.

Wider diversion of our newsprint exports with less dependance on U. S. markets would certainly be to our advantage in the long run. But rather than holding back production and exports from the United States, Canadian producers have done everything possible to boost them. And we have only been able to supply the sharply increasing American postwar demand by continuously pushing capacity to the utmost and sacrificing substantial markets we once held in overseas countries.

They Are Not the Same

U. S.-U.K. relations would be further improved if the Americans would frankly recognize the fact that the British are foreigners. That is the opinion of an American who has just returned from a month's intensive study of the British Isles.

The American gets along well with the French or the Swedes or the Italians, because he regards them as foreigners and does not expect them to act like Americans. But because he speaks more or less the same language, too many Americans seem to assume that the Englishman should think, and act like an American. When he doesn't he is put down as queer or at least abnormal. Once the American comes to realize that the Englishman is a foreigner with his own distinctions and proud of them, then we have the foundation of real goodwill, argues this U. S. writer.

Perhaps there is room for some of that realization in Canada, too. We also are inclined to assume that because our ways may be different from those of other people, they must necessarily be better, and not only for us but for them as well.

Ottawa Must Set Example

In the financing of our soaring defense costs undoubtedly the federal authorities will be expecting the people to step up purchases of government bonds. There would be a twofold advantage. The Government needs the money and, by putting it into bonds, the contributors will have that much less to spend on nonessentials, the production of which might conflict with the output of defense requirements.

On this bond selling business, however, the authorities must keep one point firmly in mind. People are not going to be anxious to invest even today's low purchasing power dollars if they think dollars are going to get cheaper still.

It is essential to the success of rearmament financing that citizens have confidence that there will be no deliberate inflation and that all possible means be taken to stabilize the price level. Lenders want reasonable assurance that their dollars will be returned to them in as sound condition as when borrowed.

By far the most serious threat to prices comes from the constant pushing up of wages. Wages are by far the biggest component of all costs. In the constant upward spiralling of wages —and purchasing power — the nation faces its biggest hazard at a time like this.

In his baby budget speech last week, Mr. Abbott rightly made a plea for more careful spending. He urged industry and private citizens to keep purchases down to essentials.

That is sound advice at times like this, when we are again threatened with inflation. But it is imperative that the Government itself set the example, not only because it is the biggest spender but also because it is going to be the biggest borrower.

Overloaded Infantry

Major-General Fuller, British military expert, was asked by the United States News to comment frankly on the American military effort in Korea. His chief criticism boiled down to too many gadgets and too heavy packs.

A primitive job like Korea, said Fuller, calls for highly trained, and quick moving infantry, armed with a modern weapon but carrying a minimum of gear. Instead there was not enough infantry and what there was was overloaded. "For 2,000 years, from the time of Caesar, the outstanding curse of the infantryman has been the tendency to turn him into a pack mule, to reduce his mobility."

And this overloading went all the way back, asserted the British military critic. "You Americans have gone so far in providing post-exchange gadgets and beverages and luxury goods for your troops that you have magnified supply problems all out of proportion to efficiency. That's what makes for bedlam at Pusan, which has been your main supply port in Korea."

That's pretty blunt talk from an outsider but the same sort of thing has been heard from American critics too, and not only in regard to the present situation but also in the first months of U. S. participation in the second world war. It is the kind of constructive criticism that can help in military planning both in Canada as well as in the United States.

The slogan, "Nothing is too good for the fighting man" is all very well, but when it replaces vital equipment and munitions in long supply lines, then it really endangers the life and effectiveness of the man that we are trying to help.

The Gulf Widens

Responsible labor leaders must be concerned over the wide gulf between their industry and agriculture. Even before the railway strike it was serious enough. A Canadian Gallup poll taken then reported that while slightly over 60% of a general cross section queried stated that they believed labor unions had been a good thing for Canada, only 44% of a farm group held the same opinion. Moreover 22% of this farm group stated bluntly that they believed that labor unions had been a bad thing for the country.

That vote was taken before the railway strike tied the country up in knots, caused serious losses in highly perishable farm produce and threatened almost complete paralysis of agriculture which is largely dependent on railway transportation. Had the Gallup people gone up and down the concession lines during or after the rail tieup, they would have found still less sympathy with labor unions.

That breach between the two largest occupational groups in Canada is not a good thing for labor and not a good thing for the country generally. There is little hope of healing it, however, so long as so many labor leaders preach and follow policies that collide head-on with the interests of the farmer.

It Deserves Support

Read the life story of any major crook and almost invariably it is punctuated with longer and longer terms in jails and penitentiaries. Aside altogether from the human wastage, there is an enormous economic loss. The country loses vital production and there is heavy cost in maintaining institutions, police forces and in the administration of justice.

The great bulk of this expense is unnecessary because, with the exception of a few permanently warped individuals, the people that take to crime can be made into useful citizens. The John Howard Society is an organization dedicated to the rehabilitation of released prisoners from our jails and penitentiaries. It deserves the support of every businessman and it's good business to support it.

54 Plus 36

A customer walked into a Toronto drugstore last week and asked for a special brand of tooth powder. When he was told that the price was 54 cents he said to make even change he would also take a package of cigarettes at 36 cents. He laid down a dollar bill.

After putting the two packages on the counter the young lad waiting on him went to one end of the store and got a pad of paper and to the other for a pencil. Then he started to figure out the change. He was doubtful when the customer told him the answer instantly, and highly indignant at the suggestion that such simple arithmetic should be done in the head.

This temporary clerk must have been at least 16 years old, and presumably had spent some years at school. If after that he is still unable to add 36 and 54 and subtract from 100 without the use of pencil and paper, then surely something is radically wrong with the way elementary mathematics are taught in our public schools.

Napier Moore's Scratch Pad

WHEN, TWO WEEKS AGO, we chronicled the baffling mystery of the car which disappeared on a ferryboat, we hadn't the faintest expectation of ever learning the solution. To our amazement the case was unriddled by mail last Friday. And, my dear Watson, as we were bold enough to surmise, the explanation is extremely simple.

The circumstances, which we had observed while crossing the St. Lawrence from Levis to Quebec, usually a placid voyage of about five minutes, involved a woman from the Southern States, wearing dark sun glasses, who was frantically searching among the closely packed automobiles for her own car which had apparently just evaporated. In response to a crewman's enquiry as to what kind of a car it was, she said, "It's from Georjah, and it's blue."

At that point we had to move off the ferry.

Alfred Renaud, city editor of Le Soleil, Quebec City, is the Sherlock Holmes to whom we are indebted for our present peace of mind. Mons. Renaud read Scratch Pad's report and promptly got in touch with an officer of the ferry company. He writes, "The car was found on the boat. It had been placed under the bridge where, if you have sun glasses, blue becomes easily black. That is why the lady from Georgia did not find it at first. She continued her voyage, the officer tells me, with all the blessings of everybody."

* * *

DURING THE CANADIAN NATIONAL EXHIBITION we listened to several exhibitors reminiscing about unusual sales achievements with which they had been connected at one time or another. The stories were interesting, but not to be compared with one related in a recent issue of "Printer's Ink" by Alfred E. Lyon, chairman of Phillip Morris and Co.

After World War I the company was caught with millions of cigarettes in warehouses scattered all over the Allied countries. Learning that Poland was in the market for cigarettes, Lyon went there. The Minister of Finance agreed that cigarettes were needed, but pointed out that payment could not be made in dollars.

Subsequently it was agreed that payment for 20 million cigarettes would be made in goose feathers. The problem then arose as to how the feathers could be produced, most of the manpower being still in the war services. Thinking fast, Lyon offered the usual plucking price to the women of the country. As a bonus, for every ten geese plucked, the women were to be given half a pound of coffee. The women pitched in with enthusiasm and the deal was completed.

The other day, at a business gathering in Montreal, conversation turned to Mr. Lyon's story. And Murray R. Chipman, God forgive him, remarked that it was the largest "down payment in history."

* * *

THE NEWEST JET PLANE, CF-100 flew from Toronto to Montreal in 30 minutes 40 seconds. Discussing this with Ron Keith, editor of Canadian Aviation, we remarked that flying at that speed must be a pretty thrilling experience. Ron said he had talked with Bill Waterton, the only pilot so far to fly the CF-100, who actually had found it a bit boring! You can gauge 600 miles an hour by this: Two minutes after passing over the Malton airport tower, Waterton checked Oshawa under his wing. Thirteen minutes later he was over Kingston. Fifteen minutes more and he was coming down at Dorval.

Incidentally, Canadian Aviation reports that a plane of this sort gains altitude at such an astonishing speed that the outside air temperature might change in a matter of minutes from 80 degrees above to 60 degrees below zero. This may not impress people accustomed to Toronto weather.

* * *

THE DEATH of Sir Reginald St. Johnston has deprived Canadians of the pleasure of meeting a remarkable Englishman. He was planning to visit Canada this month. A barrister, a graduate in medicine, colonel in the first world war, Sir Reginald gave outstanding service as colonial governor in the Leeward and Falkland islands, Fiji, West Indies and other posts. We found his book, "From a Colonial Governor's Note Book" good reading. It told us more about the part a governor can play in the development of a native people that we had dreamed of.

We liked his story of how he became an extemporaneous speaker. At the time of his first diplomatic appointment, nervous about speaking in public, he bought a book, "Speeches for All Events." Asked to open a bazaar, he memorized the speech on opening a bazaar. Came the big moment. The chairman welcomed His Excellency and continued, "Concerning this bazaar I should like to say—" Whereupon he delivered the very same speech that Sir Reginald had memorized.

Panic-striken, the Governor frantically tried to think of something different. He struggled to his feet in a daze and suddenly realized that he was making quite a good speech. When he got home he burned the book and never had any further trouble.

Stop Me If —

A wealthy clergyman called one Sunday upon his favorite nephew, who hoped one day to benefit under the cleric's will. Upon arrival he was informed by the nephew's wife that her husband was at the golf club.

"Oh, so he plays golf on a Sunday, does he?" he enquired in tones of displeasure.

"Oh, no," replied the wife, doing her best, "he wouldn't think of going to the club on Sunday to play golf—he just goes to drink."

Post Scripts

Arctic Judge

The Yukon of 1898 required an elaborate judicial organization and constabulary to curb adventurous lawbreakers of the Klondyke gold rush. The territory then had five judges. As the population started to trek to other frontiers, however, the number was reduced, first to three and finally to one. Since 1941 there hasn't been any.

MR. GIBBEN

For nine years the work formerly done by the judge has been turned over to a stipendiary magistrate who has had jurisdiction to try all types of criminal cases, even those of murder. The last decade, however, has seen rapid development of air transportation in the north and opened things for big developments in the Yukon. So the Dominion Government is now restoring the old judicial system.

First move has been the appointment of John E. Gibben, K.C., a former Winnipeg lawyer, as judge for the Yukon Territory. Boundaries of his judicial district are roughly the same as those of the federal electoral division of Mackenzie-Yukon.

Gibben is no tenderfoot in the north. Twelve years ago he quit a Winnipeg law practice to accept appointment as a stipendiary magistrate at Yellowknife, N.W.T. Three years later he was transferred to a similar position for the Yukon with headquarters at Dawson City. He remained on the Bench until 1945 when he was appointed Commissioner of the Yukon.

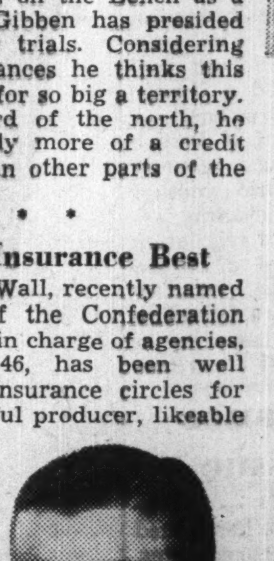
Born in England, Gibben was only a year old when he came with his parents to Winnipeg. Educated in Winnipeg schools, he enlisted in the first world war and spent three years overseas. Discharged in 1918 he came back to Winnipeg, articled in law, graduated from the Manitoba Law School and was called to the Bar in 1922. The Dominion Government created him a King's Counsel while he was in the north.

In seven years on the Bench as a magistrate Mr. Gibben has presided at three murder trials. Considering all the circumstances he thinks this is a good record for so big a territory. The crime record of the north, he says, is relatively more of a credit to society than in other parts of the country.

* * *

He Liked Insurance Best

A. E. (Eddie) Wall, recently named vice-president of the Confederation Life Association in charge of agencies, although only 46, has been well known in life insurance circles for years. A successful producer, likeable and able, he is author of the Chartered Life Underwriters' textbook on life insurance selling "Here's How" and has been active in all life underwriters association activities.



MR. WALL

Wall was born an only child at Bruce Mines, Ont. His father was a Methodist minister in charge of a group of other ministers in the North Country. This meant considerable moving about and the future vice-president went along with his family. Thus Wall saw a lot of the northern part of the province, living at different times at Sault Ste. Marie, Cochrane, Huntsville, etc. He gained his high school education at various places, finishing at Alliston and Richmond Hill.

It had always been assumed that he would go into the ministry and so he took theology for two years. He went to Normal School and taught for a year then went back to university. In 1926 he took up the sale of life insurance on a part-time basis to help pay college expenses.

Eventually he decided that the life insurance business was where his future lay. He joined the London Life in 1926 and rose to be supervisor in the Danforth District in Toronto. In 1932 he had the highest production of any man in the company, with a record of $630,000.

But by this time, Ed Wall decided he wanted a managership, so he joined National Life as manager of the Toronto branch. A year later he went to the Confederation Life

Always interested in training, Ed Wall in 1945-46 set up a course for returned men which he helped to handle for the first two years. About 220 fellows took the ten weeks' course each year and Wall also helped them get jobs after the course finished.

He takes an active interest in boys' work, and for a time was superintendent of Eglinton United Church Sunday School in Toronto; has been a member of the Royal Canadian Mounted Police Reserve since 1939, a force used considerably during the war. He is also a member of the Advertising and Sales Club, and of the University Club at Toronto; main hobbies are woodworking, music (piano), fishing and golf.

He was married in 1929 to Isabel H. Wiley of Richmond Hill. They have one daughter and two sons.

* * *

Disaster Chief

After a brilliant military career which took him from Canada through Dieppe, the European campaign and military headquarters, Clarence Churchill Mann has accepted the post of volunteer chairman of the Red Cross Disaster Service. Major - General Mann, who retired as Vice-Chief of the Canadian Army General Staff in June, 1949, was deputy to General Roberts in the Dieppe attack. He was awarded the D.S.O. Following the invasion of Europe, he was named chief of staff to General Crerar, then commanding the Canadian 1st Army. Mann returned to Canada in 1945 with Crerar and in Jan., 1946, he was appointed Officer Commanding M.D.2. in Toronto. In June, 1946, he was appointed Vice-Chief of Staff, which position he held until his retirement from the army last year.

GENERAL MANN

Since the war the General has prepared civil defense plans for Toronto and North York. His new position as chairman of the disaster service will cover any such cases as the fires which swept the Noronic, Rimouski and Cabano.

An able horseman, General Mann was captain of the Canadian Army Team at the Toronto Winter Fair in 1933. As captain and a competitor he rode against crack riders from Mexico and other parts of the world. In the riding at that fair, he had the misfortune of being thrown when his mount caught a hoof on the hurdle bars and fell on him, breaking his ankle. In 1948 General Mann returned to the Winter Fair as Chairman of the Horse Show Committee. He is a director of the Toronto and North York Hunt Club and an active member of the Eglinton Hunt Club.

Born in Nutley, N.J., in Sept., 1904, General Mann studied at Upper Canada College, Royal Military College and University of Toronto. He is married and has two children. He now resides at Todmorden, Ont.

What Others Are Saying

Editorial of the Week

Cut Out the Frills

Edmonton Journal

The Canadian people are more than willing to shoulder whatever extra burden they must to meet the costs of necessary additional defense. But they will expect the Government to cut out a lot of unnecessary frills.

Canadians are convinced that scores of millions of dollars could be saved each year if every department of government were forced to make a real effort to "cut out the fat" and operate as economically as possible.

The grand total of federal expeditures today —or rather before the additional sums being asked at the present special session of parliament—is running at a rate of approximately $2,400 millions. Twelve years ago the grand total was only $549 millions.

Even allowing for the $300 millions a year increase in debt charges, due to World War II, the institution of such approved welfare services as family allowances and increases in old age and blind pensions, health grants and so on, and not forgetting the increase in population and tremendous expansion of the gross national income, such a staggering increase in government costs cannot be justified.

Padded payrolls and swollen costs of administration must be reduced. Such items as postage, telephone and telegraph, travel, materials and supplies, office space and so on and so on, can be trimmed by scores of millions of dollars by the use of commonsense business methods, eliminating time-and-energy-wasting red tape.

Before Ottawa talks of raising taxes, it should trim away every ounce of unnecessary "fat" from government administration.

Other People's Views

IMPRESSIVE BUT DANGEROUS is the power of railway labor leaders Hall and Mosher, declares the **Ingersoll (Ont.) Tribune.** "They told 124,000-odd men and women to strike, tying this country up in knots, and the 124,000-odd struck. They told them to return to work, and they did."

CANADA'S FOREIGN POLICY is based on two harsh facts, declares the **Fort Erie (Ont.) Letter-Review.** "Canada has to be prepared to go along with the U. S. and Britain in international affairs, trying to use its influence to keep the U. S. and Britain on the same path, since any divergence of policy between these two nations would mean the end of Canada."

IN THE RAILWAY DISPUTE the CCF were between the axe and the grindstone, says the **Regina Leader Post.** "They could choose to fight union demands and so help the farmers of the West, but alienate their labor supporters. Or they could back the unions and toss the farmers' interests out the window. They made their choice. The farmers of Saskatchewan will not forget it when the next provincial election rolls around."

BLAME STALIN not Ottawa for the increase in defense costs, suggests the **Vancouver Province.** "Canada, whose greatest peacetime expenditure on defense in the years before World War II was less than $35,000,000, is now embarked on a program of defense expenditures that approach a billion dollars a year. Expenditures on such a scale will mean a lot of things the Canadian people don't like. But they would be unfair to blame the government for them. The government has no alternative and Canadians themselves have no alternative. The Kremlin has left them none."

IN CIVIL DEFENSE morale depends on intelligent understanding, asserts the **Saint John Times-Globe.** "The thing to get started right away is action on the general principles of organizing civil defense and its administration and control. The functions of federal and provincial governments must be clearly understood and the extent to which the latter will delegate powers to cities and municipalities. The allocation of funds and the decision as to the responsibility of the various authorities for their provision is a point on which understanding must be reached."

The Financial Post

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How the Communist Party is Reacting To Beating It's Getting in Labor Unions

By RONALD WILLIAMS

MONTREAL (Staff) — The discordant voice of Communism, which not so long ago used to boom through Canada's oldest and biggest labor organization, was all but stilled this week.

The final muzzling was being done by the 65th annual convention of the Trades and Labor Congress of Canada. By refusing credentials to 20 suspected Reds, the Congress cut pro-Communist delegate strength to 25 — smallest in years.

And the Communists are due for more of the same later in the month. At Winnipeg, the Canadian Congress of Labor isn't likely to follow the T.L.C.'s lead in refusing to seat individual Communists. But the same result will be achieved by expelling the last major Red unit within the C.C.L. — the United Electrical Workers. It is presently suspended. This will be confirmed and the Red outfit booted out for good. That will cut Red delegate strength down to almost nothing.

Communist Reaction

Meanwhile, to avoid the purge, the party has ordered certain known Communists to turn in their membership cards. This way the party hop elements. Its Labor specialists would be able (they hope) to hold their status by proclaiming to the world that they are no longer party members.

Beefy Reg Wright, president of the Toronto gas local of the A.F.L. Chemical Workers, was the first to try this wheeze. It didn't work on the T.L.C. The order banning him from the convention was upheld.

Similar delaying tactics are being employed by the Reds in the U.S. One of the chief attempts at this sort of subterfuge was Ben Gold, president of the A.F.L. Fur and Leather Workers.

In trying to put this sort of a deal over, the Communists apparently still think they can fox legitimate labor on anything.

What they apparently forgot was this: Labor now knows from experience that no one is allowed to resign from the Communist party unless the Reds want it that way for their own good reasons.

Get Smear Treatment

Anyone who quits the party because he or she has finally seen the light is given the regular Moscow-style smear treatment. They are never allowed to "resign"; they are always expelled.

A case in point is that of Gerry McManus who recently quit as secretary-treasurer of the Communist Seamen's Union and also a top-ranking party member.

In the current issue of National Affairs Monthly, the official L.P.P. monthly publication, the National Executive Council of the L.P.P., deals fully with the McManus case.

McManus gets the usual smear treatment. He's labelled a deserter to the camp of the war-mongers and big business; he was guilty of "intolerable personal misconduct" (those who quit always are, the way the party tells it).

Then the Supreme Soviet Council of Canada hauls off and lets the rank and file have it with both barrels.

"The handling of the case revealed very grave weaknesses."

This gives you some idea of how the Red hierarchy thinks.

"The determining factor in the approach to McManus case," the L.P.P. says, "was a 'well-meaning' concern to save an individual with a long record of work in the movement, at the expense of vigilance for the interests of the party . . ."

Tighter Discipline

The L.P.P. also criticized what it calls organizational laxity and ordered an immediate tightening up on "vigilance and discipline"; strengthening work on cadres (cell) and "review of party personnel." The party is also going to pull up members holding positions in the labor movement on the "necessity of" living up to "all the requirements of conduct demanded of leading Communists."

The trouble the party is having on the labor front is evidently being matched to some degree internally. And before the labor congresses get through with the Reds, they can expect more McManus cases to deal with.

What Will Tax Boost Do To Your Company Profits?

Canadian investors were agreeably surprised by Finance Minister Douglas Abbott's "baby budget" last week. Not only did their own personal incomes escape scot free but only an additional 5% tax, effective from Sept. 1, 1950, was levied on corporation incomes.

No excess profits tax was imposed. Indeed Mr. Abbott said that such a tax "is not desirable under present circumstances."

Stock market prices bounced upward the next day reflecting the wave of relief following the Thursday night budget address. Stocks prices recovered most of the ground lost earlier in the week as a result of apprehension over what might be in store.

The Toronto Stock Exchange index of industrials jumped 5.45 points on Friday of last week to close the week at 258.93 — only about one point below its 1950 high of 259.23. The base metals showed the next strongest action with the T.S.E. index up 4.77 points on the day to close at a new 1950 high of 140.46. Western oils went up 2.88 points to close at 88.81 (1950 high 90.56). Golds were up slightly.

The higher corporation tax is not expected to hit most Canadian firms too badly in 1950.

How the new tax rate would affect 24 Canadian firms on the basis of the published results for the 1949 fiscal year is shown by the following table. These results would only be effective for the 1950 fiscal year as the tax adjustment made in the table only covers from Sept. 1 to the end of the fiscal year. Actual results for 1950 will also vary depending on whether 1950 taxable earnings are above or below 1949 earnings.

		Earn. per Com. Sh.	
Company Name	Year End	In 1949	Adjusted to Show New Tax Effect
Bell Telephone	Dec. 31	1.20	1.15
Building Prod.	Dec. 31	3.34	3.25
Canada Packers	Mar. 30	2.76	2.55
Can. Steamship	Dec. 31	3.53	3.37
Can. Breweries	Oct. 31	3.04	3.00
Can. Gen. Elec.	Dec. 31	23.36	22.83
Can. Locomotive	Dec. 31	5.41	5.25
C. P. R. Co.	Dec. 31	1.93	1.92
Cockshutt Plow	Oct. 31	4.85	4.66
Cons. M & S	Dec. 31	12.69	12.50
Con. Paper	Dec. 31	4.29	4.17
Dom. Bridge	Oct. 31	5.93	5.83
Goodyear Tire ..	Dec. 31	4.71	4.56
Hayes Steel	July 31	5.13	4.82
Inter. Nickel ...	Dec. 31	2.08	2.04
John Labatt	Sept. 30	1.70	1.68
Loblaw Groc. ...	May 31	2.25	1.98
J. S. Mitchell ...	Dec. 31	17.41	16.90
Robert Mitchell	Dec. 31	2.17	2.11
Montreal Loco.	Dec. 31	3.47	3.37
Nat. Steel Car	June 30	2.94	2.92
Powell River ..	Dec. 31	5.30	5.13
Price Bros.	Dec. 31	12.64	12.28
Southam Co.	Dec. 31	1.70	1.66

In the above table the taxes actually paid in 1949 have been roughly adjusted to reflect the higher rate and the net profit reduced accordingly. This can be very easily done for other companies as follows:

(1) If the company's year ends Dec. 31 increase 1949 taxes by one twenty-fourth — (5% on top of 40% for one third of a year).

(2) If the company's fiscal year ends at another date, take the number of months from Sept. 1, 1950 to the fiscal year end over 12 and multiply it by ⅛ (5% on top of 40%). Then increase 1949 taxes by this fraction.

In view of the possibility that the corporation income tax basis may be again changed in 1951, no attempt has been made to calculate the effect of the increase over a whole year.

US $ Position Up Sharply in July

A further substantial improvement in Canada's official reserves of gold and U.S. dollars was shown in July. Official balances held at July 31, 1950, amounted to $1,320 million U.S. according to the prospectus covering the new $50 million Government of Canada bond issue offered in the United States. This is a gain of $65 millions for the month and compares with a gain of $63 millions for the second quarter and of $138 millions for the first half.

The sharp increase in reserves was due primarily to an inflow of short- and long-term capital it is stated. Considerable U.S. investment interest in Canadian securities was noticed by dealers during July.

Taxes, Costs Bring Changes In Appliances

There is a little resemblance between the new household appliance prices coming into effect this week and the 15% "baby budget" tax levy applied at the manufacturer's level.

In a survey of leading appliance dealers this week The Post found price increases varying all the way from 7% on a vacuum cleaner to over 25% on a waffle iron.

Yet the same tax—15%—was to be applied on all items.

This is as it should be, appliance men claim, and is an indication of the proper functioning of the competitive system. The fast-moving items must help bear part of the cost load of the slow, more competitive lines where the market would not stand the full mark-up and where the manufacturer, and in some cases the retailer, must absorb some of the tax increase.

In several instances manufacturers, revising price lists on the tax, made other changes to compensate for additional cost factors not previously reflected, or to bring prices in line with higher costs resulting from inventory replacement buying at today's higher prices.

With retail mark-up (30 to 40%) applied on top of the 15% manufacturer's tax increase the cost increase to the consumer was sizeable in many cases. Items such as electric irons, kettles, and food mixers were advanced 15% or over. Vacuum cleaners on the other hand were up only 7 to 10%.

Dealers are particularly pleased with the exemption of the refrigerator from the tax levy. This indicates that Ottawa has finally graduated this item from the luxury to the essential class.

End of the Canadian National Exhibition traditionally ushers in the heaviest appliance season of the year. Finance Minister Abbott's tax levy has done little to dampen dealer enthusiasm which forecasts a record business from now until Christmas.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

WILLSON STATIONERS & ENVELOPES LTD., Winnipeg, Man., net profit for the year ended April 30, 1950 amounted to $212,373, down 15.5% from the previous year's net of $251,231. Although sales were up slightly, reduced gross profits in certain divisions, together with increased operating expenses resulted in lower net profits for the year, Vice-President S. J. Vogan states: "With the return to normal conditions and a plentiful supply of goods, it must be recognized that profit records made in previous years are most difficult to maintain."

It was found advisable during the year to make substantial property investments to ensure locations necessary to operations, Mr. Vogan states.

CONS. INCOME ACCOUNT

Years Ended Apr. 30:	1950	1949
Net earnings	$408,520	$423,982
Less: Deprec.	68,093	34,717
Income taxes	128,054	138,034
Net profit	212,373	251,231
Less: Pref. div.	20,000	20,000
Subsid. port.	4,038	3,833
Surplus for year	196,411	235,064
Earnings per Share and Dividend Record:		
Preferred	$66.74	$77.93
Paid	5.00	5.00
Common	3.93	4.70
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Apr. 30:	1950	1949
Cash	$36,692	$113,230
Accts. rec.	522,823	418,405
Inventories	1,274,383	936,303
Total curr. assets ..	1,833,898	1,468,038
Prep. exp., etc.†	14,917	12,127
Refund. EPT	25,144	36,024
Invests., etc.	123,917	121,268
Fixed assets*	758,994	431,908
Goodwill	......	......
Total assets	2,756,870	2,069,355
Bk. loan & o'draft ..	153,815	9,773
Accts., tax., etc., pay.	388,970	323,176
Total curr. liab.	542,785	332,949
Deferred liabs.	72,112	74,264
Capital stock	593,200	597,400
Capital surplus	296,210	21,032
Distrib. surplus	39,509	39,509
Earned surplus	1,213,054	1,004,201
*After depr. of	516,742	426,202
†Incl. in curr. assets in co's report.		
Working capital	1,291,113	1,135,079

Jamaica Income Shows Increase

MONTREAL (Staff) — Jamaica Public Service Co., wholly owned operating subsidiary of Jamaica Public Service Ltd., reports a net income of £9,432 for July, up £1,286 from £8,146 in July, 1949.

Operating revenues rose to £49,756 (£37,153) and operating revenue deductions to £34,231 (£23,691).

For the 12 months ended July 31, 1950, net income was higher at £111,320 (£99,109). Operating revenues toaled £513,133 (£434,335) and operating revenue deductions £333,658 (£278,655).

Current assets, at July 31, amounted to £212,812, against current liabilities of £173,748.

Tax Speeds on Credit Curb Auto Dealers Dread Crash

How will the 10% to 15% tax increase on new automobiles and potential credit curbs affect the auto industry?

Will the new taxes and probable credit curbs meet head-on?

This possibility is a major headache to car dealers these days. They have good reason to worry.

Auto paper — obligations to pay by installments for new and used cars — accounted for 77.7% of all retail paper bought by finance companies in 1949. This slice was 6% above 1948; 14% above 1947, DBS reports. (This trend appears to be intensified this year. Twice as many passenger cars — new and used — were financed the first half of 1950 as in the same period last year. Total of $62.4 million financing was transacted for 47,239 cars in the first half of the current year.)

Paper Sales Pushed

Passenger cars are an important part of total consumers' goods—goods used by consumers as against producers like manufacturers, contractors, etc. The boom in auto financing pushed the amount of consumer goods sales covered by paper bought by finance companies to 66.9% of all paper they bought. This compares with 58.9% in 1948, 48.4% in 1947. The amount of paper they bought for consumer goods other than cars — appliances figure prominently — went down from 13.4% to 12.6% in latest figures. But the total dollar volume went up.

Total retail paper bought by finance companies was $284.7 millions, an increase over $280.2 millions in 1948, a big rise over $174.2 millions in 1947.

These figures are not the same thing, of course, as total amount of retail installment buying done. Many storekeepers hold your agreement to pay installments and don't discount it at a finance company.

Increase In Used Cars

So the increase in automotive financing — all kinds of vehicles, trucks, buses, etc. — accounts for about 60% of the latest increase in the total paper bought by finance companies. The big increase occurred in used cars. New and used commercial vehicle paper increased in dollar volume but has decreased percentagewise through the last three years.

In only one class of paper that finance companies buy was their dollar total purchase in 1949 lower than in 1948: nonautomotive commercial and industrial goods. In 1949 they bought $27,733,000 — covering tractors, construction equipment, factory machinery, farm implements, etc. against $31,121,000 in 1948.

Since a breakdown between farm machinery, etc., and other types of goods isn't available it is hard to tell the exact reason. The drop may be due to increased demand for money by auto financing plus the fact that commercial and industrial equipment of many types aren't so attractive riskwise as vehicles. If a company buys $20,000 of automotive paper its risk may be spread over 20 different auto buyers; the eggs involved may be all in one basket if the money is used to buy machinery.

In some ways the picture is getting to look more like 1941. The increase in paper for consumer goods represents a move towards the 77.1% that consumer goods paper accounted for in all 1941 purchases.

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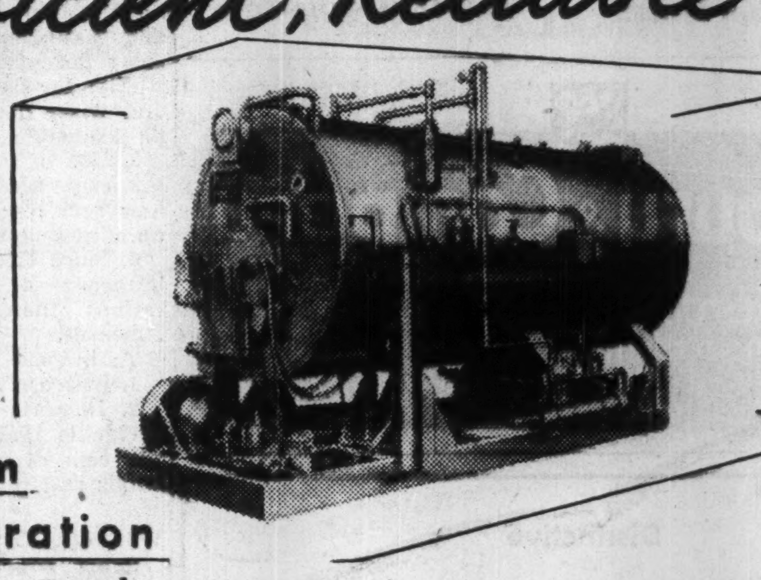

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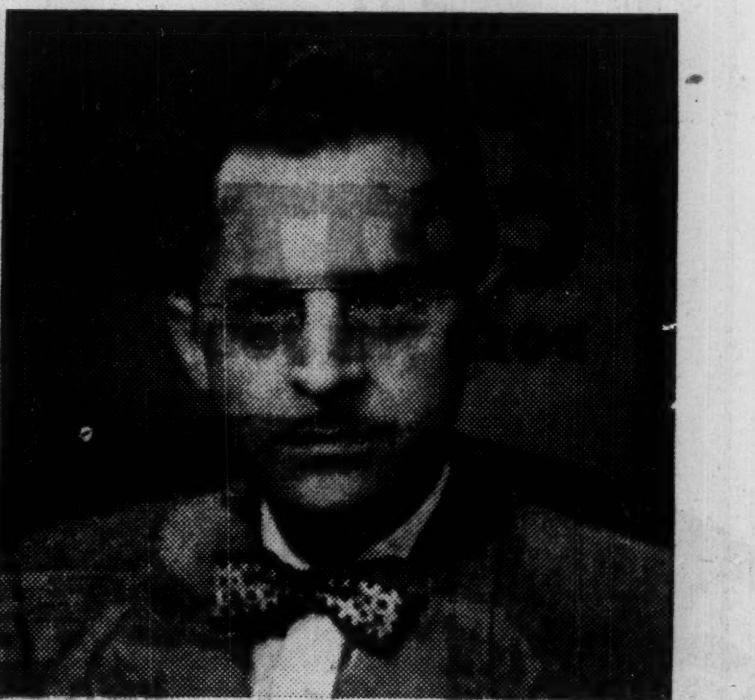

G. L. HODGE, *Secretary-Treasurer, of Hodge Auto Parts Limited, Montreal, Quebec, one of the province's larger distributors of automotive parts and a Ford-Monarch dealer, claims: "Since installing the Underwood Sundstrand we have decreased our clerical accounting staff by 40%. In addition, our monthly statements are always in balance and in the mails on the last day of every month."*

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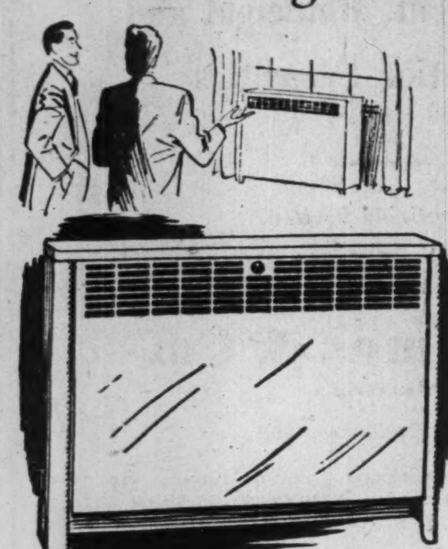

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How To Get More Federal Revenue?

The Question: If Federal Government has to have more revenue, what would be your advice to Finance Minister?

If the Federal Government cut its expenditures, it wouldn't need to raise so much money by taxation.

That's one major point emphasized by those who answered The Financial Post question this week, giving advice to Finance Minister Abbott on how to raise more revenue.

Of those queried, most suggested sharp cuts in government expenditures, as well as increased corporation and "luxury item" taxes.

A contrasting few thought the wage earner could, or would, stand for much more taxation—either on his own income or on basic commodities.

G. C. ARMSTRONG, General Manager, Chinook Building Supplies Ltd., Calgary

To save revenue, cut cost of government by:

1. Intensive training of all government executives in sound, economical, efficient and effective management.
2. Better selection of executives and commensurate pay.
3. Cutting of duplication of government services and other activities and closer liaison with provincial governments.
4. Cutting down on red tape and non-essential routines, with some decentralization of responsibility for faster, more economic and wiser decisions by the man on the spot.
5. Use of existing government agencies wherever possible for new services rather than setting up of new departments.
6. More effective budgeting by branches of government and serious thought to reasonable expenses.

To increase revenue:

1. Increase tax on luxury items.
2. Increase income tax on individuals and corporations by per cent of present rate savings bonds and refundable taxes.

* * *

WM. COATES BORRETT, Managing Director, Radio Station CHNS, Halifax, N.S.

Let the shoemaker stick to his last. It is beyond my field to tell the Finance Minister and his experts what to do. Only those with access to all figures and statistics can intelligently decide where the most revenue is available, which will do the greatest good for Canada and the least harm to our economic system.

* * *

E. W. BOWNESS, Chairman, Canadian Western Natural Gas Co., Calgary

The immediate reaction of an industrial engineer to private company's necessity for increased net income would be to endeavor to decrease overhead, operating and maintenance costs. War or other emergencies become more wasteful and inefficient. Disposal of deficit-earning Canadian National Railways or its operation by an experienced private company under government regulation seems obvious as a first economy. A sales tax from which essentials such as staple foods and clothing are exempt, is a quick and temporary method of increasing net income if necessary after these economies are effected. Direct income tax on corporations and individuals is one of the Government's fairest permanent sources of revenue.

* * *

W. E. S. BRYAN, Past President, Canadian Retail Federation, Fort William

There should be general acceptance of the need for some immediate taxation that will take care of the effect of the new defense program on our country's economy and to avoid a budget deficit. These new taxes need not be substantial and therefore I think most Canadians will approve of the taxes that have been imposed by our finance minister aimed at curbing inflationary pressures by means of excise taxes on so-called luxury goods, and by a measure of restrictions on consumer credit.

* * *

C. N. CHAPMAN, General Sales Manager, Empire Brass Mfg. Co., London, Ont.

1. Reduce government administrative expense.
2. Remove import quota restrictions and increase tariffs on some items. Again increase corporation tax and, as John Public must foot the bill in any case, increase income taxes across the board. In this way we can use existing collection channels rather than set up new tax collection departments at additional expense.

* * *

R. J. DEACHMAN, Writer and speaker on economic subjects, Ottawa

As Minister of Finance I would curb non-essential expenditures, try to get better value for every dollar spent. If I anticipated a long war I would tax luxury items, thus cutting consumption, and transfer the labor employed to the production of essential war materials. I would take a long hard glance at the recent announcement to the effect that our new railway wage rates will add $80 millions per annum to the earnings of the railway workers—and cost more than that to those who pay the freight bills. Meanwhile I would ask myself how we can restrict the purchasing power of one group of our most highly paid workers by raising their wages while we attempt to lower the purchasing power of another by a tax on "pop."

* * *

RICHARD C. FIELD, Chartered Accountant, Victoria, B.C.

In the event that more revenue is required by Federal Government, I would recommend that any move to obtain same from corporation taxes should be coupled with long delayed elimination of double taxation. I would suggest: Maintenance of basic corporation tax rates together with a 50% excess profits tax. Standard profits to be based on past fifteen year average. All dividends to be taxfree in the hands of shareholders, thereby ensuring steady flow of risk capital for expansion of industry and development of natural resources.

* * *

E. L. HICKMAN, Managing Director, A. E. Hickman Ltd., St. John's, Nfld.

Personal taxation should not be increased as it bears too hard a burden on the individual Canadian already faced with higher living costs. Corporation taxes might stand an increase, but not on excess profits tax similar to last war. This would have a detrimental effect on the country's economy and industrial expansion. I would suggest sales and/or excise taxes on semi-luxury items, but exempting anything of a basic living or personal maintenance need. Reduction in unnecessary government administrative costs might contribute a substantial amount to extra reserves. If we desire to maintain peace in today's world Canadians should realize they must be prepared to pay their share.

* * *

ARNOLD J. ILLINGWORTH, Manager, Electric Range Division, Findlays Ltd., Carleton Place, Ont.

I suggest the Finance Minister insists the various government departments reduce their current operating expenditures. I think substantial savings could be effective in this way without seriously impairing the efficiency of government. If still more revenue is necessary I would favor lowering income tax exemptions with the reintroduction of compulsory savings. Of course, this would not be popular politically, but the more people paying direct taxes the more liklihood there is of eliminating unnecessary expenditure, because members of the government never forget their political futures.

JAMES MATSON, Manager Royal-Liverpool Insurance Group and Chairman Finance and office management committee, Canadian Underwriters Asso., Montreal

The Federal Government must educate the Canadian public to realize that defense costs are in future going to be heavy and must be shared by all sections of the community—farmers, industrial workers, investors, stockkeepers, white collar class, each having a stake in Canada. There are at present too many citizens unconscious of the necessity of sharing the financial burden and therefore steps should be taken to bring more within the scope of direct taxation. This is admittedly a difficult political problem, complicated by rising cost of living and the recent railroad strike settlement.

* * *

NORMAN SMITH McLEAN, Publisher, Elmwood Herald, Winnipeg, and President Manitoba Division CWNA.

It is difficult to add to the present tax setup for the average worker with the cost of living at

(Continued on page 13)

Custom Forming of
STEEL PLATES
SHAPES
PIPES & TUBES
Manufacturers of MACK Back-Wash Industrial Water Strainers
Magee & Sons, Ltd.
EDWARD B. MAGEE, General Manager
PORT COLBORNE, ONTARIO

Stanbury & Company Limited
INVESTMENT SECURITIES
HEAD OFFICE : HALIFAX
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Today in every province in Canada, regular payments go out every month to widows whose thoughtful husbands looked after the future through life insurance policies with...

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HEAD OFFICE: WATERLOO, ONT.
250

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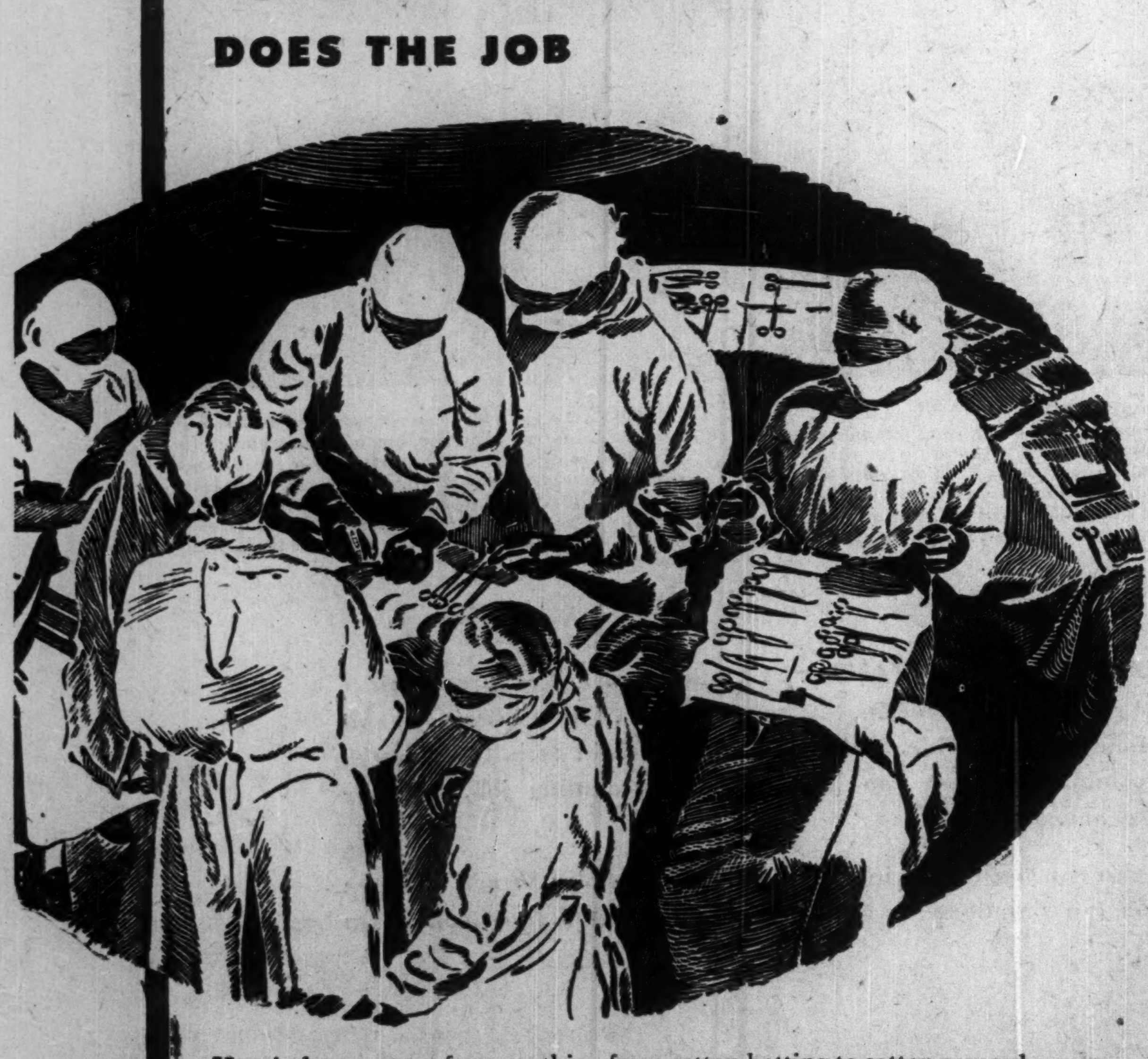
COTTON
DOES THE JOB



Hospitals use cotton for everything from cotton batting to cotton covered oxygen tents. Tray covers, helmets, surgeons' gowns, sheets, masks, pants, jackets, nurses' uniforms are but a few of the essential items made of cotton in every day use in Canadian hospitals. Cotton is selected because it is easy to sterilize and easy to keep clean. Cotton is long wearing and will take repeated laundering, this helps cut down on important replacement costs and helps reduce over-all expense.

Wherever you go you will find cotton at work . . . look around you, cotton is everywhere.

If you have a problem pertaining to the use of cotton, our representative will be pleased to assist you in solving it.

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Superb Craftsmanship
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High Safety Factor
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Honest Value

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IF YOU'VE been putting off buying a new car because of high prices and exorbitant operating costs, then you needn't hesitate another day. The NEW Austin provides all the comfort and enjoyment you'll find in cars costing hundreds of dollars more—and at a surprisingly down-to-earth price within reach of practically every income. Like thousands of other motorists across the breadth of Canada, you, too, can enjoy the many advantages Austin offers—advantages which have made it the unchallenged leader among all imported cars. Know the thrill of motoring at its finest, while reducing your driving costs by fully one third.

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Want A Western Distributing Branch The Easy Way?

You can get all the advantages of a Western factory branch — spot stocks, quick service, economical shipping of small orders, etc.; without the disadvantages — supervision from 3000 miles away, personnel problems, fixed overhead, etc.

Under a unique arrangement that is already working successfully with Eastern manufacturers, Barham and Sands of Vancouver rent you the necessary space, complete with fixtures for your stock. They supply competent staff and services on a cost-plus basis. These services can include, in addition to normal stock-keeping and shipping, breaking bulk packages, billing, and all the services which would normally be offered to your customers by your own factory branch. You have no staff worries. The overhead is low and only in proportion to the business done.

A good reputation for twenty years is behind Barham and Sands. If you want to take the full advantage, economically, of growing Western demand, write them for full information.

BARHAM AND SANDS,
36 Powell Street, Vancouver, B.C.

A growing oil company—

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Analysis on request

Burns Bros. & Denton
LIMITED

TORONTO — MONTREAL — WINNIPEG

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED

Cumulative Redeemable Preferred Shares

Notice to the holders of share warrants and to registered shareholders

NOTICE is hereby given that:—

1. A dividend (Number 8) of $1.19 per share in Canadian currency has been declared on the 4¾% Cumulative Redeemable Preferred Shares for the three months ending September 30, 1950.

The said dividend will be payable on or after October 2, 1950 in respect of the shares specified in any share warrant on presentation and delivery of dividend coupon No. 8 at any Branch of The Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares who are of record at the close of business on September 15, 1950, by cheque which will be mailed on September 30, 1950, from the office of the Montreal Trust Company, Vancouver, B.C.

2. A dividend (Number 14) of $1.00 per share in Canadian currency has been declared on the 4% Cumulative Redeemable Preferred Shares for the three months ending September 30, 1950.

The said dividend will be payable on or after October 2, 1950 in respect of the shares specified in any share warrant on presentation and delivery of dividend coupon No. 14 at any Branch of The Royal Bank of Canada in Canada.

The said dividend will be paid to registered holders of said shares who are of record at the close of business on September 15, 1950, by cheque which will be mailed on September 30, 1950, from the office of the Montreal Trust Company, Vancouver, B.C.

3. The Income Tax Act of the Dominion of Canada provides that a tax of 15% shall be imposed and deducted at the source on all dividends payable by Canadian debtors to non-residents of Canada. The tax will be deducted from all dividend cheques mailed to non-resident shareholders and The Royal Bank of Canada will deduct the tax when paying coupons to or for accounts of non-resident shareholders. Ownership Certificates (Form No. 600) must accompany all dividend coupons presented for payment by residents of Canada.

Shareholders resident in the United States are advised that a credit for the Canadian tax deducted at source is allowable against the tax shown on their United States Federal Income Tax return. In order to claim such credit the United States tax authorities require evidence of the deduction of said tax. For this purpose the Company's paying agents, Montreal Trust Company, 466 Howe Street, Vancouver, B.C., will, at the year end, mail to registered shareholders a Certificate of Tax Deduction covering the aggregate tax deducted from dividends paid during the calendar year. Bearers of Share Warrants, on the other hand, must complete Ownership Certificates (Form No. 601) in duplicate and the Bank cashing the coupons will endorse both copies with a Certificate relative to the deduction and payment of the tax and return one Certificate to the Shareholder. If Forms No. 601 are not available at local United States banks, they can be secured from any office of The Royal Bank of Canada.

Subject to Canadian Regulations affecting enemy aliens, non-residents of Canada may convert this Canadian dollar dividend into United States currency or such other foreign currancies as are permitted by the general regulations of the Canadian Foreign Exchange Control Board at the official Canadian Foreign Exchange control rates prevailing on the date of presentation. Such conversion can be effected only through an Authorized Dealer, i.e., a Canadian branch of any Canadian chartered bank. The Agency of The Royal Bank of Canada, 68 William Street, New York City, is prepared to accept dividend cheques or coupons for collection through an Authorized Dealer and conversion into any permitted foreign currency.

BY ORDER OF THE BOARD
J. A. BRICE
Secretary

425 Carrall Street,
Vancouver, B.C.
August 31, 1950.

EXECUTORS AND TRUSTEES FOR HALF A CENTURY

THINK A MOMENT...

OF PLANS FOR TOMORROW

Planning to meet eventualities is a precaution worth taking, if not for yourself, for those who depend on you . . . there is no time like the present to get things done.

The preparations which you make now for your own future and that of your family will afford added security in years to come, and give you satisfaction and peace of mind to-day.

Your Investments, your Property, your Will —are they arranged to best advantage? We can be of assistance to you in considering these matters, at little or no expense.

Let us analyze your Estate, review your Investments and help you plan your Will.

THE
ROYAL TRUST
COMPANY

OFFICES ACROSS CANADA FROM COAST TO COAST

CONSTRUCTION TRENDS

Will Mobilization Force Slowdown Now In Bigger Industrial Expansion Plans?

Are the hammers going to be banging faster on the industrial building sites now that the guns are banging louder in Asia? That's an important question, with a law going on the books to enable the Government to slap controls on building. Mr. Howe has said he will clamp down on any excessive surge of private industrial building for nonessential purposes.

According to a number of prominent architects, there has been till now, if anything, a quickening in industrial building plans. Anyway, The Post was told, nobody has been calling off industrial building because of the Korean situation. Those who had hesitated about starting construction weren't wasting any time now, with the possibility of official priorities and controls ahead.

It wasn't possible to tell yet what special types of industrial expansion might be taking place. When Ottawa starts placing orders, further building plans will no doubt get an impetus.

The speedup in industrial building here isn't as fast as in Cleveland, U. S. A. "One fellow from down there, told me," said a Toronto architect, "that the building authorities were issuing buildings permits on rough, preliminary sketches instead of detailed plans." Even in Toronto, though, bricks were being ordered immediately on decision being made to build—ordinarily a hasty, inexact method costwise.

Construction contracts awarded for industrial expansion and replacement increased more than fourfold in August. The increase —420% over August of last year —is recorded in MacLean Building Reports.

The substantial character of the jump is emphasized by the fact the $14.0 millions total is also much larger than even the same month of 1948. The total two years ago was $5.6 millions.

Contracts of all kinds awarded this August totaled $144.5 millions, a record for the month. This was almost 60% higher than the same month last year.

A weak note, however, was the downturn in residental construction. For the first month this year contracts awarded in this class were below the 1949 level. August, 1950, total of $48.5 millions is $7.4 millions or 12% lower than August, 1949.

Engineering — which includes public works like bridges, waterworks, roads, power construction —was up 370% over August of last year.

The cumulative total of contracts awarded for the first eight months is up 24% over last year.

ULRIC ROBERGE

has been appointed general manager, Banque Canadienne National.

CONSTRUCTION CONTRACTS AWARDED, CANADA
(Millions of Dollars)

	1950	8 mos. % chge. fr 1949	August 1950	August % chge. fr. 1949	August % chge. fr. July
Housing	358.1	+16	48.5	—12	—34
Comm' & instit'l	268.1	+25	47.1	+91	+13
Industrial	91.4	+20	14.0	+420	+100
Engineering	163.9	+29	34.9	+370	+24
Total	881.6	+24	144.5	+59	—4

(Source: MacLean Building Reports Ltd., division of Hugh C. MacLean Publications).

* * *

Housing Loans

National Housing Act lending has been setting a million dollar a day clip during the last three months.

Joint loans approved under the Act in July totaled $31.3 millions, Central Mortgage and Housing Corp. has announced. This is almost 150% more than the $12.6 millions approved in the same month last year. It brings total operations for the first seven months of this year to nearly $160 millions, about 70% greater than the same period last year.

July joint loans this year numbered 4,090 and covered 4,474 units. Total loan approvals so far this year number 20,500, for 23,100 units; total for same period last year was 10,500 loans amounting to $66.3 millions, for 12,400 dwellings.

* * *

New Code

The "Code of Dwelling Construction" will be printed in the near future, the associate committee on the National Building Code announces. A draft of the code was sent to more than 1,400 individuals and organizations this May. It will be a recommended set of standards for building one- and two-story family dwellings. As such, it will be an abridgement of the 1941 National Building Code. When the National Building Code is finally revised, the shorter home building document will be changed to keep in conformity with it.

* * *

Bulletin Service

The Associated Committee on the National Building Code has just published a Bulletin No. 1 on the code. The committee, connected with the National Research Council, is at present working on a revision of the National Building Code and the bulletin will be a news service to construction men and others on developments.

Bulletin No. 1 includes a history of the present code and an outline of the plans for revising it. Those who wish to get copies should write the Secretary, Associate Committee on the National Building Code, c/o National Research Council, Ottawa.

* * *

"Modular" Publicity Drive

The Structural Clay Products Institute of Washington, D.C., has put out a leaflet to spark sales drives of manufacturers of "modular" brick and tile. Modular brick and tile are made in sizes and shapes measured in multiples of four inches, like other modular materials. The leaflets, available from the institute, stress cost and time cutting advantages claimed for the standardized measuring system.

Short Position Down on T.S.E.

Semi-monthly short position report of the Toronto Stock Exchange as of Aug. 31, shows the aggregate positions, eliminating odd lots, on the books of member firms, at 244,550 shares of 116 issues, compared with 264,345 shares of 114 issues on Aug. 15.

Largest net gains in individual mining stocks were:

Stock	Change	Stock	Shares
Osisko	—5,400	MacLeod	—4,000
Villbona	—5,000	Newlund	+3,425
Ladulama	+4,500	Nat. Pet.	+2,900

Largest net gains among the industrial stocks were:

Bell Tele.	+1,665	Walker G&W	—240
Can. Vickers	—900	Int. Paper	—205

Here is the complete position:

Abitibi	4,275	Hudson Bay	125
Akaitcho	800	Hugh Malartic	500
Algoma Steel	100	Imperial Oil	1,100
Anacon	5,600	Int. Paper	850
Anglo-Cdn.	100	Jaculet	1,500
Argus	600	Kerr-Addison	700
Ascot	24,000	Labrador	1,900
Atlantic Oil	1,600	Ladulama	4,500
Aumaque	4,000	Lake Dufault	1,000
Barnat	200	Macassa	400
Base Metals	5,500	MacLeod	4,000
Bell Phone	1,665	Madsen	1,000
Bevcourt	1,500	Malartic G. F.	400
B. A. Oil	115	Massey-Harris	700
B. C. Forest	800	McKenzie	3,000
Brown Co.	300	Mining Corp.	300
Brown Pref.	10	Nat. Breweries	200
Buffalo Ank.	2,600	National Pete.	5,700
Calgary & Ed.	1,300	New Brit. Dom.	200
Calmont	500	Newlund	30,525
Can. Packers B	100	New Norzone	6,500
Can. S. S. Lines	50	New Thurbois	1,000
Cn. Breweries	1,600	Noranda	75
Cdn. Car	25	Normetal	500
Cdn. Celanese	75	Okalta	200
C. P. R.	400	Orange Crush	600
Cn. Vickers n	100	Osisko	14,500
Cent. Leduc	1,100	Pacific Pete.	4,000
Centremaque	2,000	Pend Oreille	1,200
Chemical Res.	1,900	Pickle Crow	5,500
Chesterville	1,300	Porc. Reef	1,000
Cobalt Lode	3,200	Powell Rouyn	500
Cochenour	100	Preston	1,500
Cockshutt Plow	150	Price Bros.	75
Com'wealth Pet	400	Que. Manitou	1,000
Cons. Duquesne	500	Queenston	5,300
Cons. Paper	150	Quemont	1,400
Cons. Smelters	150	Redwater-Pic.	2,500
Conwest	1,200	Reeves MacD.	200
Discovery	1,500	Royalite	500
Dist.-Seagrams	100	Sherritt-Gord.	2,000
Dome	200	Sick's Brew.	100
Dom. Foundries	25	Silanco	1,000
Dom. Steel B	200	Silver-Miller	2,000
Donalda	1,000	Starratt	2,500
East Malartic	600	Steep Rock	7,800
East Sullivan	2,200	Sullivan	500
Eldona	1,500	Superior Oil	100
Eureka	2,000	Taku	27,500
Federal Grain	100	Teck-Hughes	600
Federated Pet.	1,600	United Keno	925
Ford A	175	Upper Canada	1,400
Garrison Oil	800	Villbona	3,000
Giant YKnife	1,200	Waite Amulet	350
Golden Man.	2,600	Walkers G & W	770
Grt. Lakes P	400	Win. Elec.	340
Gypsum	100	York Knit. B	100
Hayes Steel	50		
Home Oil	200	TOTAL	224,550

Concourse Building Ltd. Pays $8 on Debentures

Payment of $8 on account of principal of each original $71 debenture has been announced by President R. Sweeney of Concourse Building Ltd. This payment will be made at the Toronto office of the Guaranty Trust of Canada on presentation of the debentures.

Last year the company paid $6 on account of principal. The present outstanding principal of the debentures is $57.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$29.22	$28.27	$20.25
Hogs	33.10	32.60	29.60
Copper, lb.	.24½	.22½	.17⅝
Sugar, raw, lb.	.0575	.0576	.0540
Coffee, lb.	.55¾	.55¼	.28¼
Hides	.29	.28½	.24
Weekly Indices			
U. S. Labor	167.5	167.2	153.0
Dow Jones	197.79	193.62	128.43
Fisher's	176.6	175.9	161.3
Monthly Indices			
Retail (Aug.)†	168.5	167.5	156.9
W'sale (July)	166.9	165.0	156.6
U. S. (May)	155.9	152.9	165.7
Gt. Brit. (June)	255.8	254.5	217.2

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price, Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
§Maritime Elec. gen. mtg. bds.	5½%	1956	Oct. 1	101.00
▲Maritime Elec. 1st mtge. bds.	4½%	1956	Oct. 1	101.00
■Massey-Harris 15-yr. s.f. deb.	4½%	1963	Sep. 18	102.60

■All outstanding. §$7,500. ▲$16,500.

CIL Department For Oil Trade

MONTREAL (Staff) — Canadian Industries Ltd. has established a separate department to handle sales of Du Pont Tetraethyl anti-knock compounds and other gasoline and lubricating oil additives to the Canadian oil industry.

Headquarters will be Toronto, with a branch in Montreal. Complete technical, laboratory, medical and safety services covering use and handling of these products will also be maintained.

Previously, Du Pont tetraethyl lead compounds were bought directly from E. I. du Pont de Nemours & Co. The new move "is designed to provide improved technical and laboratory service to Canadian refiners."

TOWN OF WINDSOR, N.S. has called for tenders for $176,000 noncallable serial debentures. Issue, to be dated Oct. 1, 1950, consists of $88,500 3% due Oct. 1, 1951-1961; $87,500 3½% due Oct. 1, 1962-1971. Proceeds are for erection of two schools ($123,500), for waterworks ($36,000) and streets ($16,500).

George A. Touche & Co.,
Chartered Accountants
announce that
MR. PETER W. BENNETT, O.B.E., C.A.,
having accepted an important commercial position in London, England, is retiring from partnership as of the 30th September, 1950

Staff Changes

Chartered banks announce the following staff changes:

Toronto:

ALAN KEENLYSIDE, formerly manager, 18th and Cambie Streets, Vancouver, to be manager, 545 West Georgia St., Vancouver.

D. L. FYFE, formerly manager, Welwyn, Sask., to be manager, Clandonald, Alta.

V. HUGHES, formerly manager at Bredenbury, Sask., to be manager, Welwyn, Sask.

E. W. KEYES, formerly manager, Stenen, Sask., to be manager, Bredenbury, Sask.

H. A. JOHNSTON, formerly accountant, Edmonton, to be manager, Stenen, Sask.

R. J. CROMPTON, formerly accountant, Victoria-main office, to be manager, 18th and Cambie, Vancouver.

J. MORGAN, formerly attached to Vancouver-main office, to be manager, at recently opened branch at Marpole (Vancouver).

W. R. BUTCHER, formerly manager, Donlands & O'Connor, Toronto, to be manager, Eglinton & Heddington, Toronto, in succession to J. R. CLARK, retiring on pension.

D. E. FLUKER, formerly attached to head office inspection department, to be manager, Donlands & O'Connor, Toronto.

F. A. S. TRAVISS, formerly accountant, Dundas & Ossington, Toronto, appointed manager, Bathurst & Melrose, Toronto, recently opened.

H. C. NUNN, formerly accountant, Queen & Parliament, Toronto, appointed manager, at recently opened branch at Bathurst & Wilson, Toronto.

C. H. FOSTER, formerly accountant, Ottawa, main office, to be manager, Meaford, Ont.

K. W. JOYCE, formerly accountant, West End, Ottawa, to be accountant, main office, Ottawa.

E. A. BUDD, formerly accountant, Kingston-West, Ont., to be accountant, West End, Ottawa.

H. BAILEY, formerly accountant, Chatham, Ont., to be accountant, Kingston-West, Ont.

R. W. PACK, formerly assistant accountant, Eglinton & Heddington, Toronto, to be accountant, Chatham, Ont.

H. J. G. GREEN, formerly assistant accountant, Queen & Parliament, Toronto, to be accountant, that branch.

G. M. CARRAN, formerly assistant accountant, at Victoria, main Office, B.C., to be accountant at that branch.

L. T. SPALDING, formerly assistant accountant, Hamilton, main office, Ont., to be accountant, that branch.

W. H. SALES, formerly assistant accountant, Edmonton, main office, to be accountant, that branch.

R. D. HILL, formerly assistant accountant, Dundas & Ossington Br., Toronto, to be accountant, that branch.

J. J. ARMSTRONG, formerly accountant, Academy Road, Winnipeg, to be accountant, LaFleche, Sask.

N. MacIVER, formerly assistant accountant, Barrhead, to be accountant, Academy Road, Winnipeg.

R. H. LINDSAY, formerly accountant, Dawson Creek, B.C., to be accountant, Cartwright, Man.

G. A. LIVINGSTONE, formerly attached to Western Inspection Department, to be accountant, Dawson Creek, B.C.

W. L. LAWRENCE, formerly accountant, 10th & Alma, Vancouver, to be accountant, Kerrisdale, Vancouver.

W. A. BUSSEY, formerly assistant accountant, 12th & Granville, Vancouver, to be accountant, 10th & Alma, Vancouver.

D. A. MOSS, formerly assistant accountant, London, main office, Ont., to be accountant, Sarnia, Ont.

E. C. ELDER, formerly accountant, Sarnia, Ont., transferred to head office inspection department.

* * *

Nova Scotia:

J. D. R. SKINNER, to be assistant manager, Santiago de Cuba, Cuba.

D J. C. Nicholl, to be accountant, Sherbrooke & Greene, Westmount, Que.

* * *

Commerce:

R. S. TOWGOOD, accountant, Douglas & Cormorant, Victoria, B.C., to be manager, Campbell River.

J. R. Millar, assistant accountant, Robson Dist., Vancouver, to be accountant, New Westminster, B.C.

R. L. CONNELL, manager, Avenue Rd. & Eglinton, Toronto, to be manager, Niagara Falls, Ont.

W. A. OXLEY, an assistant inspector at head office, to be manager, Avenue Rd. & Eglinton, Toronto.

J. PAUL, to be assistant accountant, Robson Dist., Vancouver.

N. B. WINSBY, assistant accountant, Douglas & Cormorant, Victoria, to be accountant.

B. G. ALLEY, to be assistant accountant, Douglas & Cormorant, Victoria.

TOWN OF TRENTON, N.S. noncallable serial debentures sold to J. C. MacKintosh and Royal Bank of Canada at 100.26 with supporting bid of 99.589 by Dominion Securities Corp. Cost of the money to the town was 3.366%. Proceeds are for new school.

TWO THINGS

to think about...

THERE are two things to think about in considering an investment. One is the security itself —its safety, the income it yields, its marketability. The second is your own position. A man of thirty has not the same investment needs as a man of sixty. A man who holds a large proportion of common stocks is not in the same position as a man who holds bonds.

In other words, it is not sufficient to know that a security is good in itself. It should also be suitable to your particular needs. We are always ready to assist investors in considering such questions and invite inquiries regardless of the amount involved.

LISTED STOCKS

Buying and Selling Orders accepted for execution at regular rates of commission on the Toronto, Montreal and New York stock exchanges.

DOMINION SECURITIES CORPN. LIMITED

Established 1901

TORONTO MONTREAL NEW YORK LONDON, ENG. WINNIPEG VANCOUVER VICTORIA CALGARY LONDON KITCHENER HAMILTON OTTAWA QUEBEC HALIFAX SAINT JOHN

50 King Street West, Toronto, Canada

The hat for Successful Men

Borsalino

First-Choice Hat of a Well-Dressed Man.

Sold at all Leading Hat Shops Coast to Coast

THERE IS NO SUBSTITUTE FOR Borsalino QUALITY

University of Toronto

INSTITUTE OF BUSINESS ADMINISTRATION

Graduate Courses

Registration of students in the graduate course in Business Administration, leading to the degree of Master of Commerce, will take place at 273 Bloor Street West on September 27, 28 and 29. For the convenience of part time students the office will remain open between 8 and 9 p.m. on Friday, September 29.

Before registration, students should apply for admission to the School of Graduate Studies and should plan their programs in consultation with the staff of the Institute.

All graduate courses in the Institute, day and evening, will commence in the first week of October.

The staff of the Institute will be glad to discuss plans for advanced study, full time or part time, whether with a view to securing the master's degree or not, with any university graduate in Arts, Commerce or Engineering.

These Secured Notes having been placed privately, this advertisement appears as a matter of record only.

New Issue

$5,000,000

Industrial Acceptance Corporation Limited

(Incorporated under the laws of Canada)

2¾% Secured Notes Series "G"

Dated September 1, 1950 — *To mature March 1, 1953*

Trustee: Montreal Trust Company

Greenshields & Co Inc — Wood, Gundy & Company Limited

Home is what you make it

Throughout and around the home, Chemistry's magic serves you in countless ways. Some are pictured here . . . with chemically derived products such as Nylon, Plastics, "Cellophane", C-I-L Plastic Wood and C-I-L Household Cement and the "Windsor" salt on your dining table . . . adding to the score. Yes, chemistry provides you with the materials to make your home a better home and, symbolized by the C-I-L Oval, has come to mean better living all across Canada as C-I-L continues **"Serving Canadians Through Chemistry".**

CANADIAN INDUSTRIES LIMITED
MONTREAL

CANADIAN INDUSTRIES C-I-L LIMITED
SERVING CANADIANS THROUGH CHEMISTRY

ROLLS-ROYCE
and
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SERVICE in CANADA

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PARTS AND SERVICE FROM COAST TO COAST IN CANADA

What's New

Robot Opens Door

The mere touch of push button is magic word to open doors, gates, windows, elevators, theatre curtains, etc. An electronically controlled robot operator opens and closes door by push button control or magnetic remote control from cars or trucks operated by the drivers while their vehicles are in motion. Ten different remote controls are available. The robot operator comes equipped with low 12-voltage remote controls, reducing installation cost considerably.

* * *

Low on Calories

An American bakery is putting out special line of diet items, with much lower calorie content than normal. Dessert cookies are made with nine calories compared with the usual 40 calories; cheese biscuits with one calorie to normal 16 and melba toast with seven calories a slice against normal 36. Company also makes double-strength protein bread.

* * *

Keeps Food Warm

New glass tray "Hot-Maid" plugs into light socket to be used anywhere that food is served and heats up to 300 degrees, keeping a five-course dinner hot indefinitely. Made of special electric-conducted glass which will hold heat half hour after it is disconnected.

* * *

One-Piece Workshop

Woodwork hobbyists will enjoy this versatile unit. It saws, routes, shapes, bores, turns, sands, etc. Above table and operating surface is motor on retractable arm, that will tilt it for angle jobs and will move any way. Different heads can be fitted to the motor shaft such as saws, cutters, routers. Three-quarter hp, the motor is built with two shafts, turning at 12,500 rpm for routing, shaping, etc., and 7,200 rpm for sawing and slow speed operations.

* * *

Removes Spots

"Spray-Kleen" is spot remover said not to leave rings. For home dry cleaning use, cleaner is sprayed onto garment. Is said to remove oil, grease, tar, adhesive and gum, and can be used safely on color-fast fabrics, upholstery, rugs, linens, car seats and clothing.

* * *

Coffee Automat

Every office, barber shop, beauty shop and garage should have an automatic hot coffee vending machine, company claims, to provide refreshment cheaply and efficiently. Push a button and you've got a cup of coffee. Other buttons add cream and sugar to taste.

* * *

Sweeper Controls Dust

A California firm is making an industrial sweeper with a light touch foot pedal operated from a seat in front of the sweeper and a dust control unit. Featuring eight-horsepower, four-cycle air-cooled engine, sweeper has eight dual brushes made of heavy fibre and spring steel wire combined. Has 36-inch sweep extended to 42 inches with a side brush attachment.

* * *

Air Diffuser

New style unit heater has vertical louvers instead of old directional type. Said to provide better heat diffusion with more even temperatures and adjustable length of down blow.

* * *

New Desk File

Paper spindle file has adjustable safety guard over the top which shields point and prevents papers from blowing away. The spindle also features a weighted base to prevent tipping off desk.

* * *

Two in One

A combination vacuum cleaner and carpet sweeper has rug nozzle attached to vacuum cleaner acting as both a revolving and high suction brush. Carpet sweeper parts are half the weight of ordinary sweepers, making it easy to store. Only 2½ inches high, can get under furniture and radiators. The sweeper is emptied by attaching vacuum cleaner suction device to it. Vacuum cleaner features dirt-catcher container inside the dust bowl eliminating cleaning: you simply throw away the container. Along with this combination cleaner goes rack for hanging it on closet doors, paint and moth sprayer attachments.

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ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

Dryden Paper Has $935,000 Capital Plans

Dryden Paper Co. plans to spend $935,000 on a new program of improvements at its mill at Dryden, Ont., President & General Manager E. L. Goodall has announced. This will be in addition to capital expenditures of more than $3,600,000 undertaken since 1940 for improvements and modernization.

This program will enable the company to reach an objective set some time ago to convert all its pulp production into paper products. It provides for the following improvements:

(1.) Rebuilding of No. 2 paper machine for production of kraft papers. This machine has been out of continuous production since No. 4 machine came into production in 1948.

(2.) Rebuilding No. 3 machine for increased production of machine glazed papers.

(3.) Additional equipment on No. 4 machine to increase its production.

(4.) Installation of equipment to modernize the power plant.

Work on No. 2 machine is expected to be completed by the end of this year and No. 3 and No. 4 machines by July 1951. The whole program will be completed by the end of 1951.

Since 1940 Dryden Paper Co. has been progressively rebuilding its entire plant. Production for 1950 is estimated likely to reach 48,000 tons. In 1949 it was 33,791 ton, in 1948 42,474 tons and in 1940 19,055 tons.

TRADERS FINANCE CORP. has declared a dividend of 50c per share on the Class A and B common stock payable Oct. 2, 1950, to shareholders of record Sept. 15. Previous rate was 37½c per share paid quarterly since Oct. 1, 1949. To Aug. 2, 1950, a total of $1,773,500 debentures had been converted into 88,675 Class A shares; bringing the number of such shares outstanding to 199,012.

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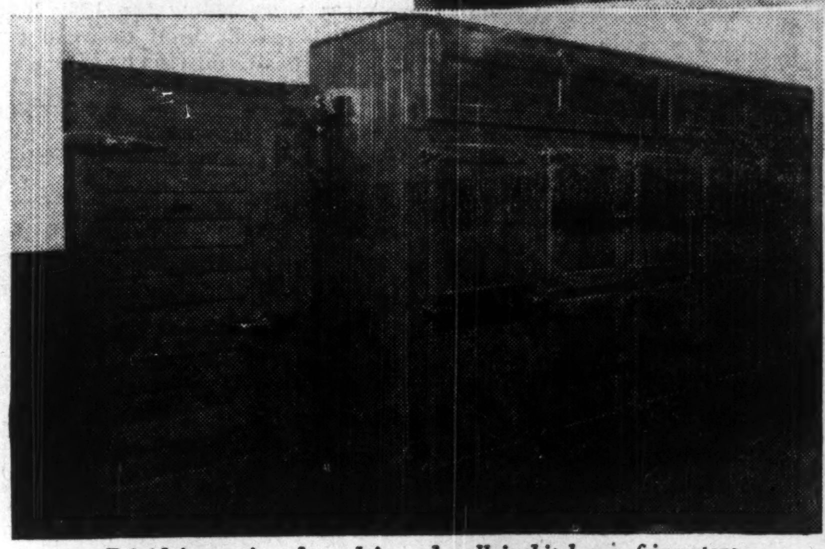

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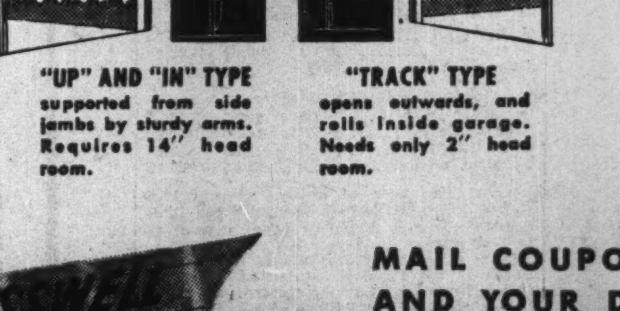

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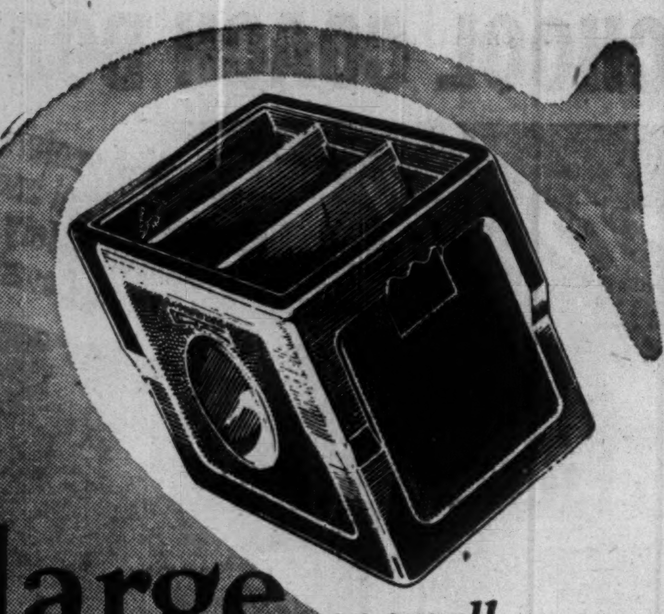

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Has Your Stock Regained Market Value?

Here's How 25 Issues Compare With '46 and pre-Korea

By JAMES H. JOYCE

Canadian stock markets have bounced back from the Korean slump, are now back to new 1950 highs and are currently over 18% higher on the average than at their 1946 highs (made about May 30, 1946). As a group, 25 leading Canadian stocks still yield about 63% more than at their 1946 high prices, a study made by The Financial Post shows.

Further, these 25 stocks are selling on the average at more than a 27% more favorable times-earnings ratio than at their 1946 highs.

Selectivity in purchasing has been a big factor in the stock markets in the past few years. This is well illustrated by the action of the 25 stocks. Of these, 11 stocks are selling above their 1946 high and 14 are still below their 1946 prices.

Evidence of Selectivity

This factor of selectivity is considered likely to play an even bigger part in stock purchasing in the immediate future. Whether or not all-out war comes, Canada (and the United States) is expected to have more or less of a war economy for some time with large orders expected for heavy industries and producers of basic materials.

Already evidence of the search for "war babies" is seen in the stock markets. The base metals, steels, machinery, oil and railway groups and papers have been especially strong. Continuing weakness is evident in the gold mining stocks due largely to fear of higher costs and loss of manpower as a result of the Korean situation.

Evidence of this selectivity is also seen from the prices of the groups of 25 stocks shown in the accompanying table. Of these, 14 stocks are now selling at above their prices on June 15, 1950 (i.e. just before Korea), one is equal to its June 15 price, while 10 are still below their June 15, 1950 prices. Wide variations are shown in the price differences by the individual stocks. Even in the first part of this year (prior to the Korean situation) individual Canadian stock groups and individual stocks showed widely-varying results in their price action.

Caution continues to be the predominant influence in most investors' actions in view of the crises and uncertainties. Investment opinion remains divided on the immediate future. Two conflicting factors which investors are trying to assess are the probability of more inflation and of higher taxation both here and in the United States. An important current question for Canadian investors also is what pattern New York stock market is likely to follow. So far it has not recovered as rapidly or as much as the Canadian markets—the Dow-Jones industrial average still being about 5% below its 1950 high.

What the Table Shows

In the accompanying table, the 1946 high prices (adjusted in cases where stock splits have occurred since) and the current price of the common stocks of 25 Canadian market leaders are related to their per share earnings and to their indicated dividend rates.

The Record of 25 Stocks After Korea

Company	Per Share Earn.* $	Divd. Paid 1946 $	At 1946 High: Price $	At 1946 High: Times Earn.	At 1946 High: Yield %	Divd. Paid 1949 $	Price, June 15, $	At Aug. 30, 1950: Price $	At Aug. 30, 1950: Times 1949 Earn.	At Aug. 30, 1950: Yield %
Aluminium	7.26	1.80	46‡	14.5	3.91	2.60	69	89	12.3	2.92
Bell Telephone	1.20	2.00	54‡	23.8	3.70	2.00	42¼	40⅜	33.6	4.95
Brazilian	4.51	2.00	30½	9.1	6.56	2.00	23⅞	22¾	5.0	8.79
B. A. Oil	2.62	1.00	28½	23.7	3.51	1.00	31	30¾	11.7	3.25
Building Products	3.34	1.00	35	13.0	2.86	1.60	35	31¼	9.4	5.12
Can. Steamships	3.53	1.00	23	...	4.35	1.00	21	24¾	7.0	4.04
Can. Breweries	3.04	1.18¾	29½	12.5	4.02	2.00	21¾	21½	7.1	9.30
Can. Locomotive	5.41	1.00	46	6.5	2.17	2.75	26	26½	4.9	10.38
Can. Pacific Railway	1.93	1.25	24½	15.9	5.10	1.25	20	19⅝	10.2	6.37
Consol. Paper	4.29	0.50	23½	12.4	2.13	1.75	25¼	26	6.1	6.73
Consol. Smelters	12.69	3.25	103	14.5	3.16	9.50§	105	112½	8.9	8.44
Dist. Seagrams	3.69	0.60	30½	11.5	1.97	1.20†	23⅞	23½	6.4	5.11
Dominion Bridge	5.93	1.20	45	24.2	2.67	2.20x	46	46¼	7.8	4.76
Fanny Farmer	2.77	2.00	66	14.6	3.03	2.00	35¾	33	11.9	6.06
International Nickel	2.08	1.60	47	24.7	3.40	2.00	34	37⅜	18.0	5.35
Labatt	1.70	1.00	28⅝	16.9	2.42	1.00	19½	19½	11.5	5.13
Loblaw, B	2.25	1.25	34	23.1	3.68	1.25	31½	31⅝	14.1	3.95
McColl-Frontenac	1.54	0.50	13¼‡	8.3	3.77	0.50	15½	15¾	10.2	3.17
Montreal Loco.	3.47	0.80	22	5.3	3.64	2.10	19¼	19	5.5	11.05
Moore Corp.	5.92	2.88½	81	17.6	3.56	3.50	81½	82	13.9	4.27
Nat. Steel Car	2.94	1.37½	30¼	14.7	4.55	1.50†	21¾	25¼	8.6	5.94
Page Hersey	1.98	1.25	35	23.0	3.57	2.00†	48	50	25.3	4.00
Powell River	5.30	1.60	36	14.1	4.44	3.55§	54	56	10.6	6.34
Walker Gooderham	8.19	1.20	39¾	7.5	3.02	2.40†	46¾	48½	5.9	4.95
George Weston	2.72	0.80	36¾	14.3	2.18	1.00	26½	25	9.2	4.00

* For latest fiscal year reported.
‡ Equivalent of old stock.
† Rate indicated by quarterly dividend.
x Includes extra $1 paid in Feb., 1949, and in Feb., 1950.
§ Paid from 1949 earnings.

If an investor bought one common share of each company shown at its 1946 high price, he would have invested $988.63. If he had had this investment for the whole year 1946, he would have received a total of $34.05 in dividends for the year. This would give him an average return of 3.44% on his investment.

One share of each of these 25 companies would currently cost the investor $957.77 or still 3.1% less than at the 1946 high prices. On the basis of the dividend rate shown in the table, he would receive a total of $53.65 a year in dividends— 57.7% more than from the same stocks in 1946. This would indicate an average return of 5.61% on his investment. Average of the individual returns is 5.77%.

At their June 15, 1950 prices one share of each of these 25 companies would have cost $924 —slightly lower than at present.

In other words a 3% smaller dollar investment now would mean a 57.7% higher cash dividend return and about a 63% higher average yield return than at the high prices for 1946. This illustrates the principal reason why investment buying has been a predominant market factor over the past year. The fact that a lot of the buying has been investment buying is also expected to exert an influence in future market action as it is likely to mean a smaller floating supply of stock available in the stock markets.

The mythical investor would be buying the above 25 stocks currently at a 27.6% stronger position in relation to their total earnings for the last reported fiscal year.

At their 1946 highs these stocks were selling at an average of 15.2 times earnings for the past previous fiscal year. Now they are selling at an average of about 11.0 times earnings for their last reported fiscal year.

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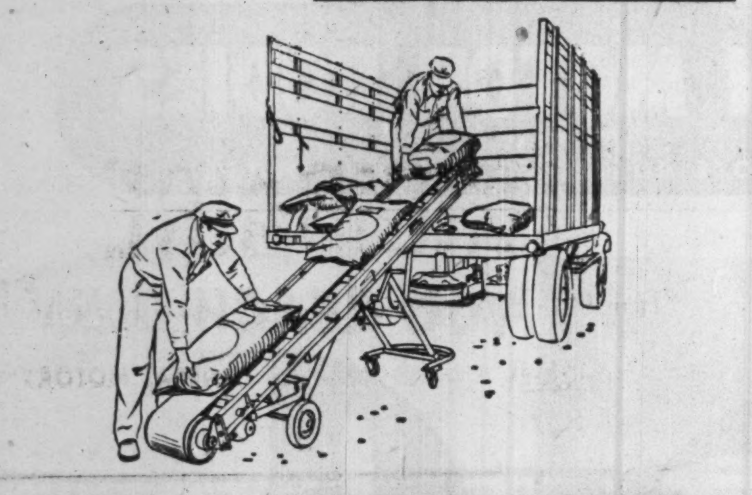

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Canada Bread Co. Outlook Better

Recent modest increase in the price of bread and other bakery products should have a beneficial effect on the earnings of Canada Bread Co., President A. V. Loftus told shareholders at the annual meeting. Bread for some years has sold at a price which does not give an adequate return on the dollar value of sales and, while bread prices remained stationary during the past year, there were substantial increases in the selling prices of almost all other commodities of a similar nature.

The record volume of sales, $17,501,000 in the year under review, was not reflected to any adequate degree in satisfactory net earnings ($126,048), General Manager W. S. Antliff told the annual meeting. However, the recent increase of one cent per loaf should enable the company to make a more reasonable showing in the new fiscal year, though costs are still advancing.

Many of the larger plants have been re-equipped with the most modern production facilities and with most of the modernization work completed, operating costs will reflect an improvement.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HAHN BRASS CO. net profit for the year ended June 30, 1950, amounted to $105,053, down 10.1% from the previous year's net of $116,729. Buildings and equipment were kept in good repair and capital expenditures of $37,084 were made with further substantial expenditures contemplated in the coming year, President Alex F. Hahn states.

INCOME ACCOUNT

Years Ended June 30:	1950	1949
Net earnings§	$169,421	$188,528
Less: Taxes	64,368	71,799
Net profit	105,053	116,729
Less: Pref. divds.	78,000	18,000
Common	112,500	20,000
Surplus for year	▪85,447	78,729

§After deducting unstated depreciation.
▪Deficit.

Earnings per Share and Dividend Record:		
Preferred†	$7.00	$7.78
Preferred‡	2.88	3.17
Paid	*5.00+0.20	1.00+0.20
Common†	3.60	4.07
Common‡	2.48	2.77
Paid	*4.30+0.20	0.60+0.20

†Before (‡after) participation.
*$4 on each stock paid out of surplus.

CONDENSED BALANCE SHEET

As at June 30:	1950	1949
Cash	$7,265	$237,897
Mkt. secs.*	231,990	151,334
Life ins., c.s.v.	2,200	......
Accts., etc., rec.	96,474	56,297
Inventory	68,767	74,367
Total curr. assets	406,696	519,895
Pref. exp. & def. rev.†	6,933	5,555
Refund. EPT	4,798	9,229
Fixed assets§	218,131	191,795
Total assets	636,558	726,474
Accts. & taxes pay.	88,799	77,609
Divds. pay.	......	15,000
Total curr. liab.	88,799	92,609
Capital stock	15,000	15,000
Capital surplus	144,258	144,917
Earned surplus	388,501	473,948
§After deprec. of	49,244	38,496
*Market value	235,730	152,488
†Incl. in curr. assets in co's report.		
Working capital	317,897	427,286

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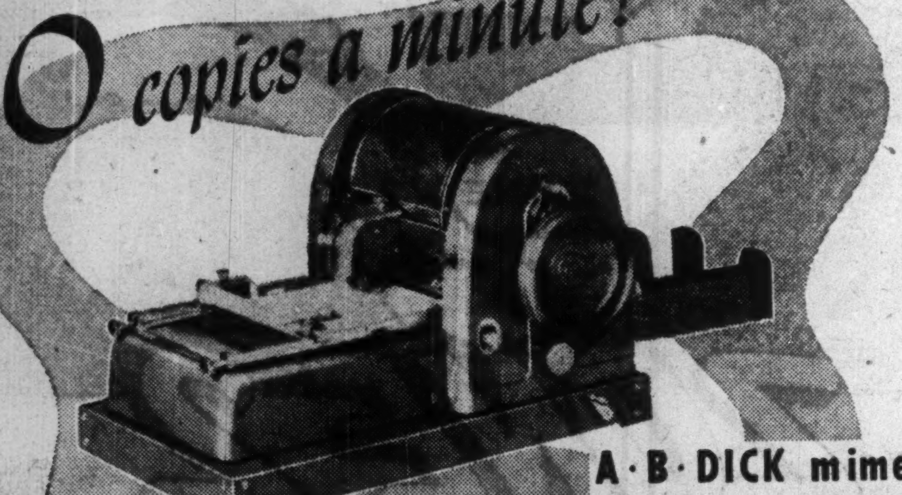

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Effective September 15th, the new Tetraethyl Lead Sales Department of Canadian Industries Limited will handle the sales and service, in Canada, of Du Pont Tetraethyl Lead Compounds and other Du Pont Gasoline and Lubricating Oil Additives. This arrangement will provide the Canadian oil refining industry the experience, research facilities, and "know how" of the Du Pont organization coupled with the immediate availability of Canadian sales and service personnel. Initially, offices of the new Department will be located at 80 Richmond Street, West, Toronto, and C-I-L House, Montreal.

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Higher U. S. Corp. Income Tax Rate Likely Effective July 1

U. S. corporations will be subject to higher corporate income tax rates effective July 1, 1950, under the "interim" tax bill now pending in Washington.

Under the tax bill a 25% normal tax rate would apply to all corporation earnings and a 20% surtax would be levied on that portion of a company's earnings in excess of $25,000 a year—e.g. a firm making $100,000 a year would pay 25% on $100,000 plus 20% on $75,000. So the effective rate on no company would ever quite reach the top combined 45% rat because of the $25,000 exception from the surtax.

(Maximum Canadian corporation income tax rate currently applicable is 40%—33% federal rate on income over $10,000 and 7% provincial for Ontario and Quebec. This will also be raised to 45%, effective from Sept. 1, by Finance Minister Douglas Abbott's new tax proposals which raises the federal corporate rate by 5%.)

The full new U. S. rates would be effective on all incomes earned after Dec. 31, 1950. One half of the rate increases would apply to all 1950 calendar year corporation earnings.

Not all companies will pay higher taxes under the Committee's bill due to elimination of the existing "notch" rate of 53% for that portion of a corporation's earnings between $25,000 and $50,000 a year. This would bring some 33,000 corporations with incomes between $31,250 and $71,429 a year small tax reductions, Secretary of Treasury Snyder estimates.

Under the present law, companies earning $50,000 a year or more pay a flat 38% on their income. Companies earning less than that amount pay 21% on the first $5,000 of income, 23% on the next $15,000, 25% on the next $5,000 and 53% on that portion of income between $25,000 and $50,000.

It is this latter "notch" rate that is to be eliminated. Its purpose was to smooth the transition from the reduced rates provided for small corporations to the flat rate applicable to the total income of all other corporations.

The new tax bill may be outmoded by the middle of next year since the U. S. Treasury is reported working on a new tax program which will be submitted to Congress early next year.

U. S. CORPORATION INCOME TAX

Net Income $	—Effective Tax Rates— Present Law %	Proposed %	—Tax Liabilities— Present Law $	Proposed $
5,000	21	25	1,050	1,250
10,000	22	25	2,200	2,500
25,000	23	25	5,750	6,250
30,000	28	28.33	8,400	8,500
50,000	38	35	19,000	17,500
60,000	38	36.67	22,800	22,000
71,429	38	38	27,143	27,143
75,000	38	38.33	28,500	28,750
100,000	38	40	38,000	40,000
125,000	38	41	47,500	51,250
166,667	38	42	63,333	70,000
250,000	38	43	95,000	107,500
1,000,000	38	44.50	380,000	445,000
10,000,000	38	44.95	3,800,000	4,495,000
100,000,000	38	45.00	38,000,000	44,995,000

CN Net Revenue Higher in July

MONTREAL (Staff) — Operating revenues of Canadian National Railways for July totaled $50,358,000, up $8,953,000 from July 1949. Net revenue rose $5,905,000 to $6,301,000. These figures do not include taxes, equipment, rentals, fixed charges, etc.

	July 1950	July 1949	Increase
Oper. rev.	50,358,000	41,405,000	8,953,000
Oper. exp.	44,057,000	41,009,000	3,048,000
Net rev. ..	6,301,000	396,000	5,905,000
7 Months Ended July 31	1950	1949	Increase
Oper. rev.	306,311,000	278,179,000	28,132,000
Oper. exp.	283,516,000	276,833,000	6,683,000
Net rev. ..	22,795,000	1,346,000	21,449,000

TOWN OF NEW GLASGOW, N.S. non-callable serial debentures sold to Royal Bank of Canada and Royal Securities at 100.40 with supporting bid of 100.10 by Wood, Gundy & Co. and Canadian Bank of Commerce. Cost of money to the town was 3.138%. Proceeds are for paving ($135,000) and fire ($100,000).

MAILMAN CORP. reports that another 61 shares of preferred stock were cancelled for redemption account, leaving 14,881 outstanding.

NEW MONARCH - KNIT APPOINTMENT

The Right Honourable Lord Barnby, C.M.G., C.B.E., M.V.O., President, announces the appointment of Mr. A. W. Tucker as Hosiery Sales Supervisor of The Monarch Knitting Company, Limited. Mr. Tucker has been well-known in retail knitwear circles since his return from overseas at the end of the first World War, when he accepted the agency for Jerseys Limited of Toronto. In 1933, he joined Mercury Mills in Hamilton and has acted as their sales representative in Toronto and vicinity for the past sixteen years. *

T.S.E. Values Show Gains

Toronto Stock Exchange quoted values at the end of August reached a new high of $9,257,710,073, a gain of $628 millions over those of July. Most of the gain is attributable to the increase shown by industrials. The compilation shows 516 industrial stocks gaining $387 millions to a value of $6,738,249,952 and the remaining 375 stocks, including base metals, western oils and golds gaining $241 millions to a value of $2.5 billions.

Of the 14 industrial groups, 90 manufacturing issues showed net gains totaling $82 millions over the previous month while 17 oil refining issues with a market valuation of $1,171,468,150 showed a net gain of $78.5 millions. All of the industrial groups showed gains, construction and steel issues advancing $61.5 millions, utilities $37.5 millions, papers $30 millions, liquors $21 millions, motor and allied $19 millions and miscellaneous issues showing various gains over the previous month.

The largest group in market valuation was the base metals, 41 issues of which aggregated over $1.5 billions, advancing $141 millions over the previous month. In the producing golds, 74 issues gained $34 millions, 155 gold prospects were up $11.5 millions and 50 holding mines gained $17 millions. One of the largest percentage advances was in 55 western oils which gained $39 millions to $235,396,238.

At month's end, the Exchange's indices confirmed the higher trend with 20 industrials closing at a new high of 259.97, base metals at a new high of 137.52, western oils advanced 11.23 and golds closed at 81.75.

Tabled below are the different groups:

Group	Net Change (Millions) $	Quoted Mkt. Value (000's) $
Agriculture	+10.5	106,981
Amusement	+0.5	29,058
Steels	+61.5	656,057
Finance	+6.5	523,791
Food	+12.0	236,524
Liquor	+21.0	530,118
Manufacturing	+82.0	1,107,062
Miscellaneous	+12.0	121,020
Motor	+19.0	147,875
Oil refining	+78.5	1,171,468
Paper	+30.0	872,857
Retails	+3.0	74,596
Textile	+12.0	164,506
Utility	+38.0	996,336
Base metals	+141.0	1,574,244
Western oils	+39.0	235,396
Prod. golds	+34.0	507,493
Gold prospects	+11.5	74,903
Holding golds	+17.0	127,424
Total	+628.0	$9,257,710

Bond Yields Hold Steady

The 40 bond yield average compiled by McLeod, Young, Weir & Co. on the basis of bond prices at Aug. 31, 1950, was 3.36% as compared with the previous month's 3.37%.

Average yields for the provincial and industrial groups showed an increase of 0.02% over the previous month while municipal and public-utility groups showed a decrease of 0.01%.

Here is the yield average for each of the four separate groups comprising the 40 bond yield average:

McLEOD, YOUNG, WEIR BOND YIELD AVERAGE

	Aug. 31 1949	Mar. 2 1950	July 31 1950	Aug. 31 1950
10 Provinc'ls	3.21	3.07	3.14	3.12
10 Municipals	3.58	3.53	3.46	3.45
10 Pub. Util.	3.36	3.31	3.37	3.36
10 Industrials	3.61	3.51	3.52	3.50
40 Bond Ave.	3.44	3.35	3.37	3.36
Aver. matur.	16a 1b	15a 8b	17a	16a 11b
Govt. of Can.	2.84*	2.72*	2.77†	2.75†

*3% Sept. 1, 1966. †2¾% June 15, 1968.
a Years. b Months.

DOMINION STEEL & COAL CORP. has 1,039,083 $25 par class B shares outstanding.

Boost Output Of Diesel Engines On West Coast?

From Our Own Correspondent

VANCOUVER—A new possibility that Vancouver may become a large scale diesel engine manufacturing centre is seen in the purchase of Atlas Imperial Diesel Engine Co., Oakland, Cal., by the huge National Supply Co., Pittsburgh, Pa.

Atlas, whose Vancouver operation is Canadian Atlas Diesel Engines Ltd., 1859 West Georgia, had diesels manufactured here during the war under license, and the company still has about $50,000 in patterns.

"I don't think we're going to discard these patterns either," said one executive here.

This is the second purchase of a local engine firm by a large outside company in the past two weeks. Vivian Engine Works Ltd., pioneer Vancouver diesel producer, was taken over by the large Brush Electrical Engineering Co. Ltd., of London, Eng.

Engine production and supply here is becoming a more important business each day. The primary industries, lumbering, fishing, mining are heavy diesel users, and the huge towing and shipping fleet uses more all the time. Coupled with this is the vast oil field growth in Alberta and the growing search spilling over into B.C.

HOLLINGER CONSOLIDATED has granted a further 3c an hour cost of living bonus to employees. The bonus raises minimum pay of miners to $1.03 an hour and for helpers from 93 to 96c an hour. On July 26 the company announced that 15c cost of living bonus being paid would be incorporated in the basic wage rate which was 85c for miners and 78c for helpers. The new bonus was effective Sept. 7.

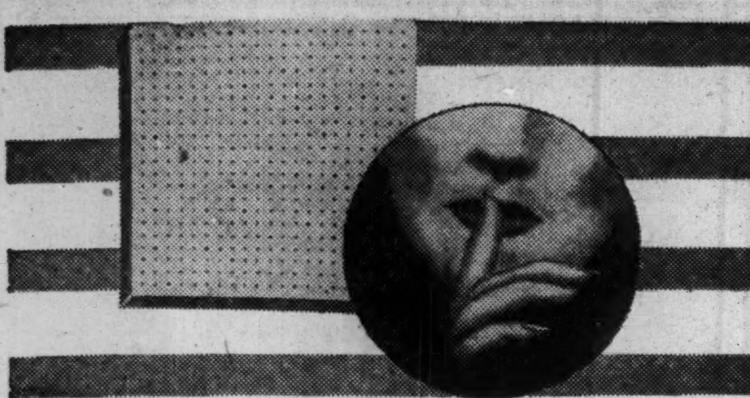
Forget old-time ideas about care and greasing needed to keep motors running!

The new Westinghouse Life-Line Motors eliminate need for periodic lubrication. Double-width ball bearings are prelubricated with specially treated lubricant—and factory-sealed to keep dirt out and grease in, *for the life of the bearing.*

Greasing schedules can be forgotten. Motors may be installed in inaccessible locations. Machines no longer need be dismantled to grease motors. Failures caused by excessive or improper lubrication can be prevented. Multiply these advantages by the number of motors in *your* plant!

Contact your nearest Westinghouse office for details on your requirements. Canadian Westinghouse Company Limited, Hamilton, Ontario.

Westinghouse Life-Line Motors



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Sound Conditioning and Acoustical Products.

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Easily and quickly installed, Acousti-Celotex requires no special maintenance. Can be painted and washed repeatedly without reducing its sound absorbing efficiency.

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Incorporated 1855

Know what questions they'd ask your wife?

IF death robbed your family and left them without your support . . . if your wife were deprived of your present income, can you imagine her next step?

Her "job" has been caring for your home, your family and you, for several years. Now she must look for another kind of job. Her first interview might be like this:

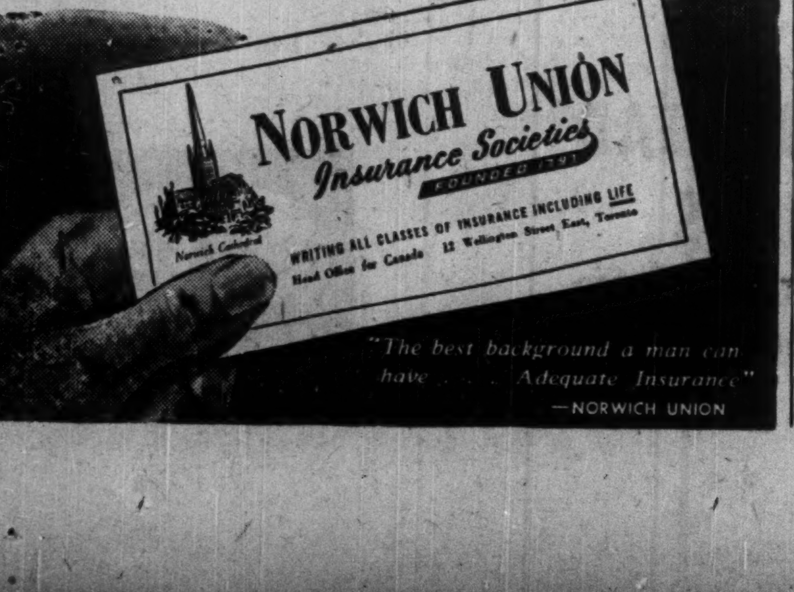
"What are you trained to do?"
"How long is it since you held a job?"
"When your children are sick, have you someone in charge to look after them? Would you have to be absent on their account?"

Could your wife give satisfactory answers? Perhaps she would be told: "We're sorry for you—but after all, we *can* get single girls who can stay on the job . . ."

But you can spare your family this needless shadow on their lives—NOW! Your Norwich Union representative is personally interested in your family's welfare. Let him work out a low-cost program of *adequate insurance* for you.

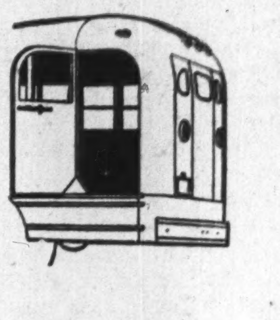
IT CAN HAPPEN ANYTIME

Even careful persons like yourself usually experience a Fire . . . a Burglary . . . or any one of the many Unforeseen Hazards that jeopardize your happiness. Now is the time to review your program with a Norwich Union agent . . . learn how surprisingly little you need pay for adequate protection. Norwich Union agents take a personal interest in your particular problems . . . and remember, there is no obligation! 95



WILSON All-Steel SCHOOL COACH BODIES

Easily mountable on any conventional flat face cowl chassis



● WIDE emergency door with grab handle that won't open accidentally. Located at left rear.

The ONLY All-Steel School Coach Body that is 100% Canadian-Built

That's why School Boards and Municipalities are now asking for Wilson School Coach Bodies by NAME! They KNOW from their own experience or that of other school boards and municipalities, that nowhere can they get GREATER PROTECTION for their charges at such LOW COST.

LIGHTED DOOR STEPS are made of checkered, NON-SKID metal plates. Seat frames are seamless steel tubing—electrically welded. All seats, including the driver's, are SPRING-CUSHIONED, upholstered in attractive, hard-wearing, leather fabric. Coach is FULLY VENTILATED for maximum passenger COMFORT. The especially TOUGH linoleum coach floor covering is securely bonded to the STEEL FLOOR. Body panels are die-formed, rivetted at joints. Damage from vibration, corrosion and rust is practically eliminated by HEAVY COATS OF INSULMAT on inside of body, sub-frame and skirting.

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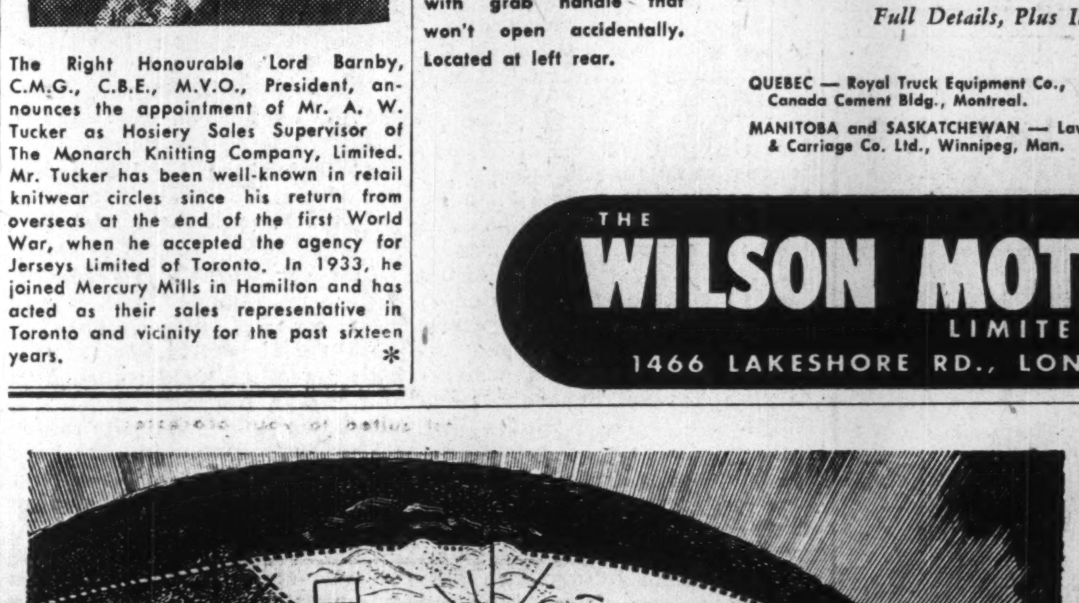
ALBERTA — Edmonton Truck Body Works, 10971 102nd St., Edmonton.
BRITISH COLUMBIA — Truck & Bus Equipment Co. Ltd., 1165 Seymour St., Vancouver, B.C.

THE WILSON MOTOR BODIES LIMITED
1466 LAKESHORE RD., LONG BRANCH, ONTARIO



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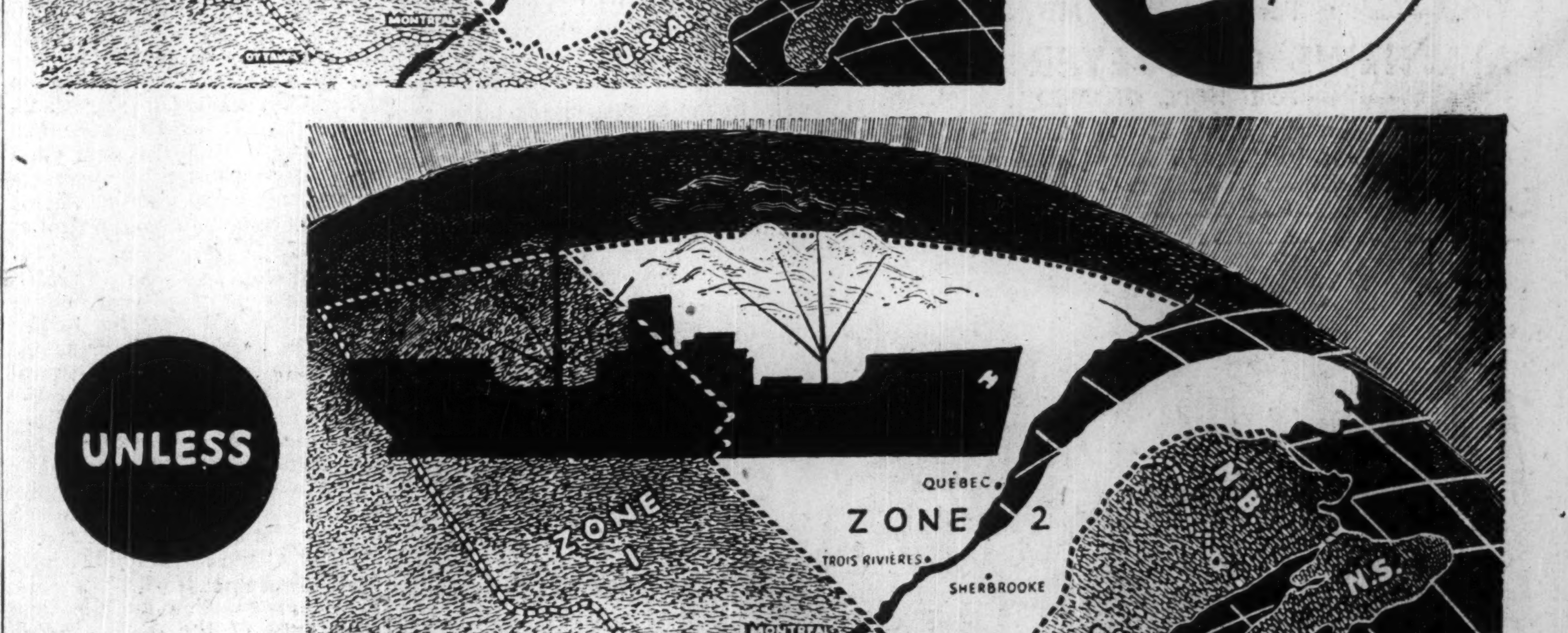

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Overflow circulation of "outside" dailies is negligible.

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Le Soleil and L'Evenement-Journal
Total Net Paid Circulation 117,026*
QUEBEC CITY. Also, lower St. Lawrence and Gaspe; industrialized Chicoutimi-Saguenay; mineral-rich Northern Quebec.

Le Nouvelliste
Total Net Paid Circulation 23,916*
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La Tribune
Total Net Paid Circulation 19,736*
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*160,678 — Combined Net Circulation of ZONE 2's three papers. A.B.C. second quarter of 1950.

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BRANCH OFFICES
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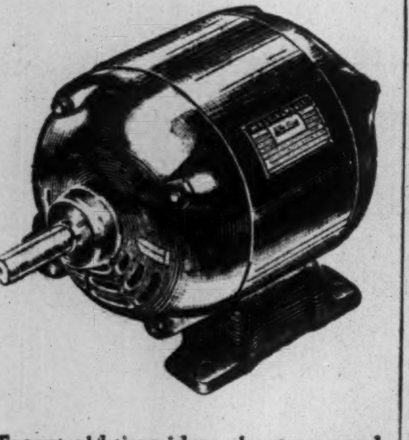
McCallum-Hill Building, Regina, Sask.
807 Avenue Building, Saskatoon, Sask.
1 Royal Bank Building, Brandon, Man.



Forget old-time ideas about care and greasing needed to keep motors running!

The new Westinghouse Life-Line Motors eliminate need for periodic lubrication. Double-width ball bearings are prelubricated with specially treated lubricant—and factory-sealed to keep dirt out and grease in, for *the life of the bearing.*

Greasing schedules can be forgotten. Motors may be installed in inaccessible locations. Machines no longer need be dismantled to grease motors. Failures caused by excessive or improper lubrication can be prevented. Multiply these advantages by the number of motors in *your* plant!

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THE LONDON & LANCASHIRE GROUP
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TORONTO SAINT JOHN QUEBEC
MONTREAL WINNIPEG VANCOUVER

How Can Ottawa Increase Revenue?

(Continued from page 8)

an all-time high. Main source of extra revenue should come from luxuries such as tobaccos, soft drinks, popcorn, peanuts, chewing gum, automobiles, race tracks, sports, etc. I am satisfied that any extra revenue cannot possibly be taken from tradesmen, mechanics or railway workers. This would be suicidal. The limit of taxation in these brackets has been reached. Our government could derive added revenue from excess profits of large corporations. And millions could be realized from state lotteries such as operate in Australia.

* * *

J. R. PETRIE, Canadian Tax Foundation, Toronto

The answer depends on how much extra revenue is needed. Immediate requirements should be met entirely by taxation and the budget should be kept in balance. Increased taxation coupled with the rising cost of living means lower living standards for most Canadians. Fiscal policy should be formulated so as to create the least possible inflation by pressure, reduction of living standards and an incentive to produce. Increased taxes should fall as much as possible on economic surplus rather than on costs. Thus a combination of taxes on corporate income and selected nonessential commodities appears to be indicated. I am generally in agreement with the budgetary proposals put forward by the Minister of Finance on September 7.

* * *

HAROLD A. SMITH, President, G. W. Robinson Co. Ltd., Hamilton

In the past Canadians have accepted every tax burden made necessary by emergencies. They have not changed in their attitude. Additional taxation always carries with it the necessity on the part of the taxpayer to carefully scrutinize all expenditures and eliminate those not absolutely essential. Taxpayers feel however that the lead and example should be set by the Government in its own expenditures. So far there is no great evidence of this being considered or put into operation in any government department.

* * *

STUART THOM, Taxation Specialist, Toronto

Taxation policy must be related to the amount of additional revenue required. Corporation tax rates are approaching top limits. Higher personal income tax rates will produce substantial amounts in a hurry but largely at the expense of a limited group of taxpayers. I fully agree with the Minister of Finance that this source of revenue should be reserved for emergency conditions. Until then increased taxes on luxuries and nonessentials will assist in controlling inflation and will spread the tax burden more equitably.

* * *

GEORGE N. THOMAS, Manager Harrison & Company, Winnipeg.

If, as appears likely, the Federal Government will need more revenue for defense purposes in spite of recent tax increases, it seems logical as first step to drastically reduce expenditures in non-defense, administration and nonessential services. Following this, luxury taxes should be further increased and tax rates on personal income raised. Some realignment of taxing power might be made with the provinces regarding succession duties, amusement and gasoline taxes which would produce more revenue for Federal Government. I believe there should be some control over rising wages and prices if increased taxes are to be willingly accepted.

* * *

G. S. THORVALDSON, President, Income Tax Payers' Association, Winnipeg

A primary requirement of taxation policy is to tax all income and profits and allow none to escape taxation. Despite legislation of the last few years, loopholes still exist whereby co-operative and mutual companies are able to escape their fair share of the tax burden. Plug these loopholes. That alone will nearly make up present revenue deficiencies.

* * *

JACQUES VERREAULT, News Editor, Action Catholique, Quebec, Que.

The worst would have been an increase in personal income tax. Instead of having recourse to it, the Minister of Finance has added to the taxes on what we call luxury items.

It is a very unhappy thing that the country has returned to a wartime budget.

And whose fault is it?

In the very first place, it is because Russia does not play fair, playing as if all the organization of the United Nations is falsified. If we cannot affirm "categorically" that Moscow wants war, we must admit that the Communists want to dominate Europe, Asia and the Universe.

Alas:

To exercise the international policing job, the U.N. must have some force at its disposition. This force will be furnished it by those people who believe that the survival of a society of nations is still the best means of protection against the ogres.

The Canadian contribution to the constitution of this force is part of the reason for augmented taxation. The defense of our own territory will absorb, meanwhile, the principal part of these taxes.

BANK OF CANADA

	Sept. 6 1950 $	Aug. 30 1950 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,310,899,360	1,303,099,234
Deposits:		
Govt. of Can.	13,181,601	32,392,928
Chart. banks	517,637,090	555,718,073
Other	246,594,991	234,668,772
Total deposits	777,413,682	822,779,773
Liabs. payable in sterling, U.S.A. & foreign gold currencies:		
(a) to gov. of Can.	192,264,114	98,068,839
(b) to other	20,989	21,209
Total	192,285,103	98,090,048
All other liabs.	18,523,906	18,196,144
Total liabs.	2,314,172,418	2,257,215,566
Assets		
Foreign Exchange:		
Sterling & U.S.	219,969,123	153,130,039
Other curr.	79,149	93,962
Total	220,048,272	153,224,001
Subsid. coin	558,617	554,911
Inv.:		
Gov. sh. term	1,425,534,169	1,414,321,675
Oth. gov. sec.	548,509,670	569,434,012
Other sec.	60,315,980	60,460,009
Total invest.	2,034,359,819	2,044,215,696
Total share cap. at cost	25,000,000	25,000,000
Premises	5,159,681	5,150,796
All other assets	29,046,029	29,070,162
Total assets	2,314,172,418	2,257,215,566

AUMAQUE GOLD MINES drill hole No. 211 in the northern part of its property under the old hole No. 42 has returned values in copper, silver and zinc. From 326 to 522 ft., selected sections returned values from trace to 0.14 oz. silver, trace to 0.25% copper and 0.25% and 0.40% zinc. As there is believed to be a possibility that this core length may represent the "outer" skin of an ore body, a deeper drill hole will now be put down to test this possibility.

GOLDFIELDS URANIUM reports surface exploration of a number of showings has indicated radioactivity over a length of 500 ft., open at both ends, parallel to the Black Lake fault. Fracturing is found across a 25-ft. width. Visible pitchblende, officials state, appears to be associated with the quartz that forms a fracture filling the sheared zones on the FF-1 concession. Five test pits were put down and the showing is now ready for diamond drilling.

B. A. Oil Co. Will Expand At Moose Jaw

British American Oil Co. has announced the second big step in in its Western Canada oil development program. The company will soon commence a large-scale expansion program at its Moose Jaw refinery. Crude capacity will be upped from 6,000 to 10,000 bbls. a day.

The program will include installation of a catalytic cracking unit, a coking plant, a thermal cracking unit, catalytic polymerization equipment, additional tankage, water facilities, etc. Entire project will cost several million dollars.

It is expected that the project will be completed in 15 to 18 months and that the expanded refinery will employ an additional 40 to 50 men on its permanent staff bringing total up to around 175. During construction work employment will be provided for approximately 500 workers at the peak.

Gasoline production can be boosted in the expanded refinery from 115,000 to 227,000 gals. a day. Quantity of gasoline, solvents and light fuels produced per bbl. of crude oil will be greatly increased in the new refinery. All of the crude used will be Canadian, much of it to be purchased from independent Canadian producers.

After the Interprovincial Pipe Line has been completed as far as Regina and the branch pipe line from the main line into Moose Jaw refinery has been installed by the B-A Saskatchewan Pipe Line Ltd., crude oil processed at the Moose Jaw refinery will be transported via these pipe lines. All the production will be marketed in Saskatchewan and in Manitoba.

Upon completion of the expansion at Moose Jaw and the new refinery now being built at Edmonton, B.-A's total Western Canadian refinery capacity will be in excess of 24,000 bbls. per day.

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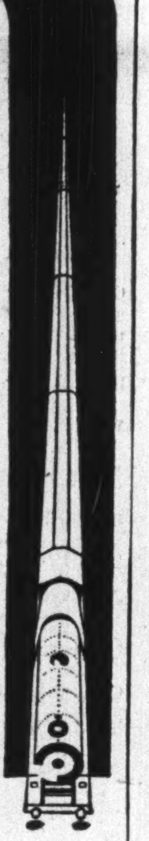

BRITISH RAILWAYS

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-greatest invention for dictation since the pencil!

The new dictation method that's sweeping the executive world!

The revolutionary new Time-Master has captured the imagination of executives and secretaries all over Canada and the U.S.A.!

Dictaphone's Time-Master releases bosses and "Girls Friday" who are habit-chained to time-wasting shorthand.

Electronic Time-Master (a fitting climax to Dictaphone's 55 years of leadership in the industry) is the easiest to use, most nearly foolproof dictating machine yet engineered. It's the first and *only* dictating machine to record on a mailable (fits in a standard envelope), fileable *plastic belt!* (Memobelt).

Faithful whisper-to-shout voice reproduction . . . recorded at constant groove speed. Uniform, measured backspacing from start to finish . . . easier for you, faster for your secretary.

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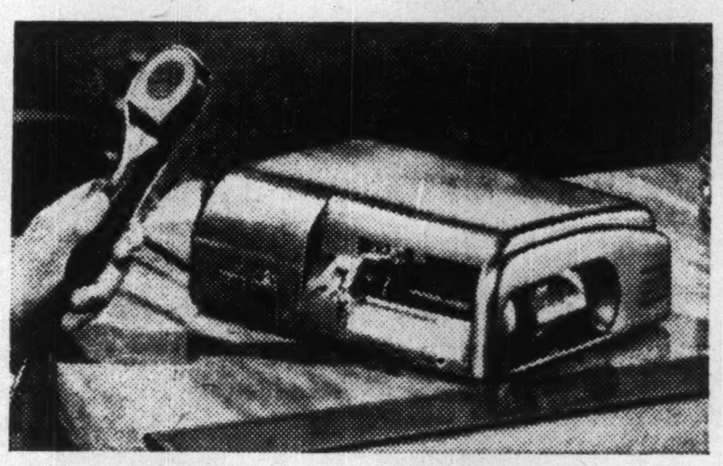

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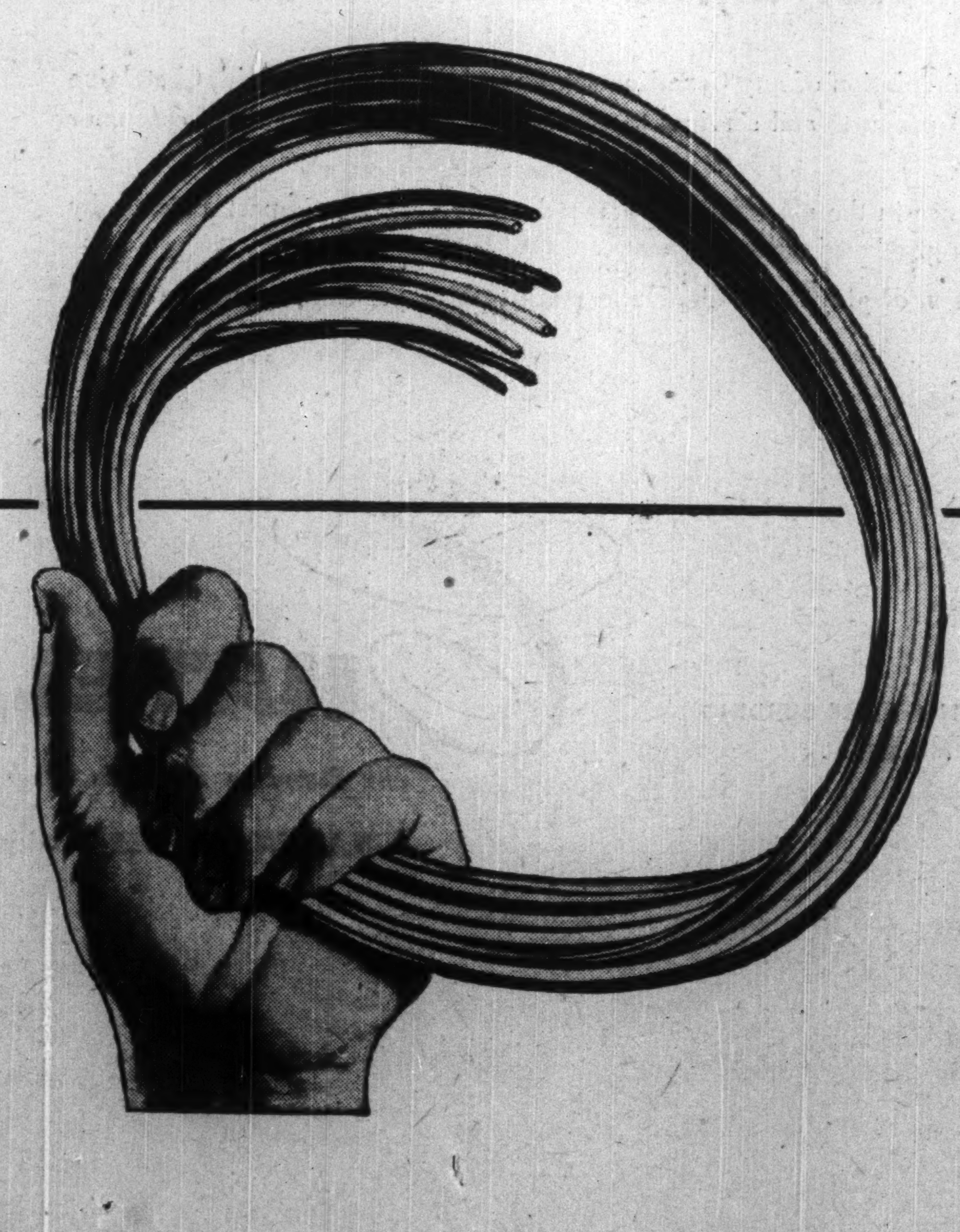

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Norman McCuaig has been appointed Sales Manager of CONFIDENTIALLY YOURS, the new personalized advertising column which begins publication in the first January issues of the Big Four National Week-End Newspapers.

CONFIDENTIALLY YOURS is a subsidiary of Barbara Brent Inc., publisher of Barbara Brent's BUYS and WHYS which has been appearing in 120 Canadian newspapers for the past four years. *

LONDON CALLING—*By Adelphi*

Govt. Recess Fans Churchill-Attlee Feud House of Lords Reforms Seen Hastened

LONDON—Of necessity these notes are being written on the eve of the semi-emergency recall of Parliament. The House of Commons is an unpredictable place and I shall not venture on prophecy but perhaps one or two program notes might not be out of place.

The recess has produced a personal feud between Churchill and Attlee which may take any form. The old warrior loves a scrap but Attlee is slow to anger. Equally the old warrior is swift to forgive but Attlee has yet to prove that magnanimity is one of his qualities.

* * *

Certainly Attlee's charge on the radio that Churchill shirks his parliamentary duties and merely uses the House as a sounding board for his speeches is pretty hard hitting for a bantam. Encouraged by this, all the Left Wing commentators are vying with each other in ridiculing Churchill although they are always careful to remind us that he was a great man in the war.

With the exception of the Mail, the Express and the Weekly Recorder, there has been no corresponding championing of the Tory Leader. The result is that in certain sections of the Conservative Party, especially among the younger members, there are renewed mutterings that the old man should give up the leadership of the Opposition and content himself with the role of Elder Statesman.

Automatically the limelight falls on Eden, who has been visiting the British Embassy at Vienna but will be back on the job for the opening. As is well known, Eden's father had such a volcanic temper that Anthony has ever since detested a brawl. It is well known that he does not always approve of Churchill's tactics but he will not be enticed into any attack against him. The Crown Prince must never rebel against the Emperor.

Churchill may ride the storm but the wind is blowing hard at the moment.

* * *

Member-Turned-Peer Bids To Retain Seat

As an overture to the reassembling the former Quintin Hogg, M.P. now made Viscount Hailsham by the death of his father, issued the correspondence between himself and Mr. Attlee.

When his father died, Hogg, who is a clever lawyer, wrote to the Prime Minister asking to be allowed to remain in the House of Commons and save his constituency of Oxford from a foolish and unnecessary by-election. He argued that the mere inheritance of a peerage should not automatically make a man a lord of Parliament.

Mr. Attlee replied that it was not in his personal power to alter the Constitution and that Hogg, being a Peer, must now give up his seat in the Commons.

Hogg, who possesses a quick temper, then wrote to the Prime Minister accusing him as a Socialist of defending the principle of heredity against the interests of justice and common sense. The letter was couched in sardonic terms calculated to injure Attlee's position with his Party as much as possible. Mr. Attlee expressed his resentment, whereupon Hogg issued the whole thing to the Press.

* * *

This small storm will pass but the incident will undoubtedly hasten the reform of the House of Lords. The principle that the first male pup of the litter should by the accident of birth become a legislator cannot be defended in principle although it has worked out pretty well in practice. What is bound to come about is that a third of the Upper House will consist of hereditary peers selected by themselves, and that the remainder will be "Lords of Parliament" whose titles will not be hereditary.

Another change which is certain to come will be the paying of members of the Upper House. The case of Quintin Hogg will again prove a spur to this reform. As a member of the Commons he is paid £1,000 a year and has free transportation between his constituency and Westminster. But when he takes his place in the Lords he will be paid nothing and allowed no expenses.

There has always been a school of thought which would like to see the British Upper House turned into an Imperial Chamber with representatives from the outer Commonwealth and Empire. In many ways this would be admirable, especially if the House of Lords were purely a deliberative assembly, but I do not see how a Canadian could very well support or oppose a measure which solely concerned the British people—such as increasing taxes or instituting drastic controls.

Nevertheless it would be excellent if Ministers of the Dominions could be made associate members so that when they visited London they could speak in the Upper House on subjects that concerned the Commonwealth. At any rate you will gather from all this that politically, the British are in a state of flux and important changes are on the way.

* * *

Labor Congress Backs Govt. Stand in Korea

The T.U.C. holding their annual conference at Brighton dealt a doughty blow to Communism by giving full support to rearmament and the campaign in Korea. But the Congress was not content with punching the Communists. By an overwhelming decision it landed a swift Left to the brittle chin of Sir Stafford Cripps.

For two years Cripps has founded his financial policy on the voluntary freezing of wages and the limitation of profits. But the T.U.C. have ended the freeze. From now on the Unions will revert to their historic function of advocating better wages and conditions for their members. With a nice touch of irony, however, the Congress recommended that coincident with the unfreezing of wages there should be a compulsory limitation of profits—a rather odd version of "Fair Shares For All."

I do not think that the action of the T.U.C. will surprise Cripps. You can only keep the cover on a boiling cauldron for so long and the Chancellor was probably surprised that he succeeded as well as he did. But when the Prime Minister announced the all round pay increases for service men, the writing was on the wall. Already the Unions are talking of a national minimum of £5 a week. With the present cost of living, that is by no means an exorbitant figure.

Incidentally Lord Beaverbrook has once more shown that he is right even when as usual he is denounced for being mischievous. More than a year ago he produced a policy based upon a national minimum of £6 a week, the unfreezing of profits and wages, and setting the pound free to find its own level. That is practically what is happening now, and it would have been a good thing if it had happened when he suggested it.

* * *

Is it a good thing to live until you are 94? A small London theatre this week produced six new short dramatic sketches written by Bernard Shaw who has attained that venerable state of life. They were the caperings of an aged clown with only scattered moments to remind us that here is the man who in his prime forced the world against its will to think.

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Whether you want the manager, the stock room clerk or the kid who sorts the mail . . . cover all your departments in seconds! ELECTRO-VOX intercommunication systems eliminate confusion, conserve energy, save time and money with just the flick of a convenient key.

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"As a market place . . . women's magazines are pre-eminent"

. . . writes Mr. John R. Heron in the July letter of the Royal Bank of Canada.

HOW IMPORTANT IS THIS MARKET-PLACE?

. . . these authorities agree . . . there's a woman somewhere . . . in every sale.

Mr. C. L. Gundy, President of Wood, Gundy & Co. Ltd. said in The Toronto Telegram, June 1, 1949. "Little woman controls nation's purse strings."

Mr. Henry C. Ritz of the Murphy Paint Company said, that, of the paint used by consumers, women buy approximately 65% and are influential in the purchase of 80%.

Gunther Stein stated, "Women are richer in property than men. Women control 70% of the nation's wealth."

At the Ontario Retail Hardware Convention, February 8, 1950 it was stated: "Hardware men report that 70% of their customers are women."

Leading jewellers report that from 60% to 75% of *all* watches are purchased by women.

Luft Candy Corporation, New York, made a survey to find out who buys packaged candy. They found that 75% of the buyers are women.

Other authorities have stated: Women buy or influence the buying of from 70% to 90% of home furnishings, food, toilet goods, and women's wear (and a considerable proportion of men's wear).

THE LARGEST CIRCULATION IN ITS FIELD

. . . with the largest circulation of any Canadian magazine in the woman's field, Chatelaine is *the* medium to sell products and services to women who influence the bulk of consumer purchases in Canada.

. . . here is an audience in the most favorable mood to receive the impact created by colorful, faithfully reproduced advertisements.

. . . put *your* product on display in the Chatelaine market-place, pre-eminent in the woman's magazine field.

THE TALK OF THE TOWN

. . . September Chatelaine sets a *new* high standard of excellence for Canadian magazines . . . You'll like it.

. . . in appearance it is simple . . . classic . . . casual. There is lots of white space; the pages are clear and uncluttered; the type very easy to read; color predominates throughout.

. . . a well-known Canadian designer helped to create the pattern . . . our new Goss equipment (part of the Maclean-Hunter postwar expansion program) completed the job and gave Chatelaine the most colorful dress she has ever worn.

. . . Chatelaine, more than ever, creates the perfect "audience mood" for her advertisers.

HIGHER PROPORTION OF FULL COLOR THAN U.S. MAGAZINES

The steady rise in quadricolor advertising is proof that advertisers seek color; color and faithful reproduction of their product.

Over 37% of Chatelaine advertising last year was in quadricolor.

Leading U. S. magazines had 33% of their lineage in quadricolor, according to a Magazine Advertising Bureau report.

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MONTREAL

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The Canadian Woman's Magazine
A MACLEAN-HUNTER Publication

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